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# 1987

## Census of Wholesale Trade

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SUBJECT SERIES

Measures of Value Produced,  
Capital Expenditures,  
Depreciable Assets,  
and Operating Expenses



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The overall planning and review of the census operations were performed by the staff of the Office of the Assistant Director for Economic and Agriculture Censuses.

This report was prepared in the Business Division. **Bobby E. Russell**, Assistant Division Chief for Census Programs, was responsible for overall planning, management, and coordination of the assets and expenditures survey. Planning and implementation were under the direction of **Edward D. Walker**, Chief, Cross Industries Branch and **Dennis L. Shoemaker**, Chief, Utilities Census Branch. Forms design, processing and tabulation procedures, and text were developed by **Sheldon G. Ziman**, assisted by **Stacey L. Peckins**, **Mary Burke Dollar**, and **John Seabold**. **Bessie S. Drew** and **John Guest**, Survey Control Staff, provided valuable assistance in coordinating the current survey interface.

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If you have any questions concerning the statistics in this report, call (301) 763-5862.

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Issued June 1991



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# INTRODUCTION

## PURPOSE AND USES OF THE ECONOMIC CENSUS

The economic censuses are the major source of facts about the structure and functioning of the Nation's economy. They provide essential information for government, business, industry, and the general public.

*Economic censuses furnish an important part of the framework for such composite measures as the gross national product, input-output measures, production and price indexes, and other statistical series that measure short-term changes in economic conditions.*

*Policy-making agencies of the Federal Government use the data, especially in monitoring economic activity and providing assistance to business.*

*State and local governments use the data to assess business activities and tax bases within their jurisdictions and to develop programs to attract business.*

*Trade associations study trends in their own and competing industries, and keep their members informed of market changes.*

*Individual businesses use the data to locate potential markets and to analyze their own production and sales performance relative to industry or area averages.*

## AUTHORITY AND SCOPE

Title 13 of the United States Code (sections 131, 191, and 224) directs the Census Bureau to take the economic censuses every 5 years, covering years ending in 2 and 7. The 1987 Economic Censuses consist of the—

- Census of Retail Trade
- Census of Wholesale Trade
- Census of Service Industries
- Census of Transportation
- Census of Manufacturers
- Census of Mineral Industries
- Census of Construction Industries

Special programs also cover enterprise statistics and minority-owned and women-owned businesses. (The 1987 Census of Agriculture and 1987 Census of Governments were conducted separately.) The next economic censuses are scheduled to be taken in 1993 covering the year 1992.

## AVAILABILITY OF THE DATA

The results of each of the economic censuses are available in printed reports, for sale by the U.S. Government Printing Office, some of which are available on microfiche, computer tape, compact discs with read-only memory, and flexible diskettes, for sale by the Census Bureau. Note that prior to 1982, the assets and expenditures survey was not conducted as part of the economic censuses. Order forms for all type of products are available on request from Customer Services, Census Bureau, Washington, DC 20233. A more complete description of publications being issued from this census is on the inside back cover of this document.

Census facts are also widely disseminated by trade associations, business journals, and newspapers. Volumes containing census statistics are available in most major public and college libraries. Finally, State Data Centers in every State and Business and Industry Data Centers in many States also supply economic census statistics.

## HISTORICAL INFORMATION

The economic censuses have been taken together as an integrated program at 5-year intervals since 1967, and before that for 1963, 1958, and 1954. Prior to that time, the individual censuses were taken separately at varying intervals.

The economic censuses trace their beginnings to the 1810 Decennial Census, when questions on manufacturing were included with those for population. Coverage of economic activities was expanded for 1840 and subsequent censuses to include mining and some commercial activities. In 1902, Congress established a permanent Census Bureau and directed that a census of manufactures be taken every 5 years. The 1905 manufactures census was the first time a census was taken apart from the regular every-10-year population census.

The first census of business was taken in 1930, covering 1929. Initially, it covered retail and wholesale trade and construction industries, but it was broadened in 1933 to include some of the service trades.



The 1954 economic censuses were the first to be fully integrated—providing comparable census data across economic sectors, using consistent time periods, concepts, definitions, classifications, and reporting units. These were the first censuses to be taken by mail, using lists of firms provided by the administrative records of other federal agencies. Since 1963, administrative records have also been used to provide basic statistics as well for very small firms, reducing or eliminating the need to send them census questionnaires. The Enterprise Statistics Program, which publishes combined data from the economic censuses, was made possible with the implementation of the integrated census program in 1954.

The range of industries covered in the economic censuses has continued to expand. The Census of Construction Industries began on a regular basis in 1967, and the scope of service industries was broadened in 1967, 1977, and 1987. The Census of Transportation began in 1963 as a set of surveys covering travel, transportation of commodities, and trucks. New for 1987 are publications reporting on business establishments engaged in several transportation industries, paralleling the data on establishments in other sectors. This is part of a gradual expansion in coverage of industries previously subjected to government regulation. The Survey of Minority-Owned Business Enterprises was first conducted as a special project in 1969 and was incorporated into the economic censuses in 1972 along with the Survey of Women-Owned Businesses.

Economic censuses have also been taken in Puerto Rico since 1909, in the Virgin Islands and Guam since 1958, and in the Northern Mariana Islands since 1982.

Statistical reports from the 1982 and earlier censuses provide historical figures for the study of long-term time series, and are available in some large libraries. All of the census data published since 1967 are still available for sale on microfiche from the Census Bureau.

## **AVAILABILITY OF MORE FREQUENT ECONOMIC DATA**

While the censuses provide complete enumerations every 5 years, there are many needs for more frequent data as well. The Census Bureau conducts a number of monthly, quarterly, and annual surveys, the results of which appear in publication series such as *Current Business Reports* (retail and wholesale trade and service industries), the *Annual Survey of Manufactures*, *Current Industrial Reports*, and the *Quarterly Financial Report*. Most of these surveys, while providing more frequent observations, yield less kind-of-business and geographic detail than the censuses. The *County Business Patterns* program offers annual statistics on the number of establishments, employment, and payroll classified by industry within each county.

## **SOURCES FOR MORE INFORMATION**

More information about the scope, coverage, classification system, data items, and publications for each of the economic censuses and related surveys is published in the

*Guide to the 1987 Economic Censuses and Related Statistics*. More information on the methodology, procedures, and history of the censuses will be published in the *History of the 1987 Economic Censuses*. Contact Customer Services for information on availability.

## **CENSUS DISCLOSURE RULES**

In accordance with Federal law governing census reports, no data are published that would disclose the operations of an individual establishment or business. However, the number of establishments in a kind-of-business classification is not considered a disclosure, so this information may be released even though other information is withheld.

## **DOLLAR VALUES**

All dollar values presented in this report are expressed in current dollars, i.e., 1987 data are expressed in 1987 dollars and 1982 data in 1982 dollars. Consequently, when making comparisons to prior years, users of the data should consider the inflation that has occurred.

## **ASSETS AND EXPENDITURES SURVEY**

This report, which was prepared in connection with the 1987 Census of Wholesale Trade, provides data on selected characteristics of merchant wholesalers including measures of value produced, capital expenditures, depreciable assets, and operating expenses.

Data in this report are based on information collected from a probability sample of merchant wholesalers used to produce monthly national estimates of wholesale sales published in the *Monthly Wholesale Trade Survey*. A description of the survey methodology, estimating procedures, and concepts is presented in appendix A.

The 1987 statistics are summarized by kind-of-business classifications based on the 1972 Standard Industrial Classification (SIC) Manual. This report covers all merchant wholesale operations in the Nation. All major kinds of business in which merchant wholesalers operate are represented. A description of each kind of business represented by data shown in this report is included in appendix A.

## **SPECIAL TABULATIONS AND UNPUBLISHED DATA**

Special tabulations of data collected in the 1987 Assets and Expenditures Survey may be obtained, depending on availability of time and personnel, on computer tape or in tabular form. The data will be in summary form and subject to the same rules prohibiting disclosure of confidential information (including name, address, kind of business, or other data for individual business establishments or companies) as are the regular publications.

Special tabulations are prepared on a cost basis. A request for a cost estimate, as well as exact specifications on the type and format of the data to be provided, should be directed to the Chief, Business Division, Bureau of the Census, Washington, DC 20233.

To discuss a special tabulation before submitting specifications, call 301-763-5282.

Some estimates have not been published in this report because their sampling variability or imputation is so high as to make them potentially misleading. Some unpublished data can be derived directly by subtracting appropriate published data from their respective totals. However, the figures obtained by such subtraction would be subject to high sampling variability described above for unpublished kinds of business, and their use would be subject to the same hazards. Unpublished data may be obtained upon request from the Chief, Business Division, Bureau of the Census, Washington, DC 20233.

**ABBREVIATIONS AND SYMBOLS**

The following abbreviations and symbols are used in this publication:

- \* Measure of sampling variability not shown since estimated data not published.
- Represents zero.
- (M) Less than \$1 million.
- (NA) Not available.
- (S) Withheld because estimate did not meet publication standards on the basis of either response rate, associated relative standard error, or consistency review.
- (V) Less than .05 percent.
- (X) Not applicable.
- n.e.c. Not elsewhere classified.
- pt. Part.
- SIC Standard Industrial Classification.



# Users' Guide for Locating Statistics in This Report by Table Number

Information shown in tables	Table														
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Sales .....	X					X					X		X	X	
Purchases .....	X													X	
Cost of goods sold .....											X		X		
Inventories .....	X														
Gross margin .....											X	X	X		
Value added .....											X	X	X		
Net income produced at market prices. ....											X	X	X		
Net income produced at factor cost .....											X	X	X		
Acquisition value of depreciable assets at end of 1987 .....	X	X		X						X				X	
Buildings and structures .....		X		X											
Machinery and equipment .....		X		X											
Acquisition value of depreciable assets at end of 1986 .....	X	X		X										X	
Buildings and structures .....		X		X											
Machinery and equipment .....		X		X											
Deductions from depreciable assets .....		X													
Capital expenditures (other than land) ....	X	X	X		X					X				X	
Used capital expenditures .....		X	X		X										
New capital expenditures .....		X	X		X										
New buildings and structures .....			X		X										
New highway vehicles .....			X		X										
New computer hardware and data processing equipment .....			X		X										
All other capital expenditures .....			X		X										
Annual payroll .....	X					X	X	X					X		
Employer cost for fringe benefits .....						X	X	X							
Legally required expenditures .....						X	X								
Voluntary expenditures .....						X	X								
Taxes and license fees .....								X							
Depreciation charges .....				X				X							
Buildings and structures .....				X											
Machinery and equipment .....				X											
Lease and rental payments .....				X				X							
Buildings and structures .....				X											
Machinery and equipment .....				X											
Purchased electricity .....								X	X						
Purchased fuels .....								X	X						
Miscellaneous utilities .....								X	X						
Communication services .....								X							
Office supplies .....								X							
Packaging and shipping materials .....								X							
Advertising services .....								X							
Commissions paid .....								X							
Payments for contract work .....								X							
Repairs .....								X		X					
Buildings and structures .....										X					
Machinery and equipment .....										X					
Other operating expenses .....								X							
Total operating expenses .....	X					X		X	X	X		X		X	
1987 and 1982 comparative statistics .....					X							X			
Estimated relative standard errors .....															X

# Users' Guide for Locating Statistics in the 1987 Census of Wholesale Trade Reports

Report and geographic area	Information shown in reports by kind of business or industry category										
	Number of establishments	Sales (\$1,000)	Payroll (\$1,000)	Number of employees	Inventories (\$1,000)	Operating expenses (\$1,000)	Commodity line sales (\$1,000)	Sales size and employment size <sup>1</sup>	Legal form of organization	Petroleum bulk stations and terminals	Selected topics
<b>GEOGRAPHIC AREA SERIES</b>											
United States .....	X	X	X	X	X	X					
State .....	X	X	X	X	X	X					
CMSA, PMSA, MSA .....	X	X	X	X							
County .....	X	X	X	X							
Place .....	X	X	X	X							
<b>ESTABLISHMENT AND FIRM SIZE (INCLUDING LEGAL FORM OF ORGANIZATION)</b>											
United States .....	X	X	<sup>2</sup> X	<sup>2</sup> X	<sup>2</sup> X	<sup>2</sup> X		X	X		
<b>MEASURES OF VALUE PRODUCED, CAPITAL EXPENDITURES, DEPRECIABLE ASSETS, AND OPERATING EXPENSES</b>											
United States <sup>2</sup> .....		X	X		X	X			X		<sup>3</sup> X
<b>COMMODITY LINE SALES</b>											
United States .....	X	X					X				
State <sup>4</sup> .....	X	X					X				
CMSA <sup>4</sup> .....	X	X					X				
<b>MISCELLANEOUS SUBJECTS</b>											
United States .....	X	X	X	X	X	X				X	<sup>5</sup> X
State .....										X	
County .....										X	

<sup>1</sup> Establishments and firms.

<sup>2</sup> Merchant wholesalers only.

<sup>3</sup> Value produced, capital expenditures, depreciable assets, and selected operating expenses detail.

<sup>4</sup> Available on microfiche only.

<sup>5</sup> Class of customer, employment by principal activity, detailed type of operation, inventory detail, and commissions of agents and brokers.





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## Measures of Value Produced, Capital Expenditures, Depreciable Assets, and Operating Expenses

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# SUMMARY OF FINDINGS

Total sales in 1987 of all merchant wholesalers (including manufacturers' sales branches of ferrous metal service centers) amounted to \$1.5 trillion. Comparisons to 1982 sales data for individual kinds of business can be made using the Census of Wholesale Trade, Geographic Area Series—United States Summary reports for the 2 years. The total cost of merchandise purchased for resale in 1987 (net of returns, allowances, and trade and cash discounts) totaled \$1.2 trillion, or 81.0 percent of total sales. Beginning inventories for merchant wholesalers in 1987 amounted to \$153.9 billion with ending inventories of \$165.1 billion. Total sales, purchases, and inventories are integral parts of the measures of value produced summarized below.

## MEASURES OF VALUE PRODUCED

The gross margin of merchant wholesalers which represents total sales less cost of goods sold, amounted to \$300.5 billion in 1987. Value added, derived by deducting from gross margin the cost of office supplies, stationery, postage, electricity, fuels, packaging materials, and the cost of contract work done on materials owned by merchant wholesalers, amounted to \$287.8 billion, representing 19.3 percent of total sales. Subtracting all other purchased services from value added yields net income produced at market prices of \$206.8 billion, or 13.9 percent of total sales. This amount less depreciation, license fees, and taxes (excluding income, payroll, and sales taxes) represents net income produced at factor cost of \$188.0 billion, or 12.6 percent of total sales.

As a percent of sales, measures of value produced were generally higher for durable goods than for nondurable goods in 1987. Durable goods wholesalers reported a gross margin of 23.6 percent of sales, compared with 16.9 percent for nondurable goods wholesalers. Net income produced at market prices amounted to 16.1 percent of sales for durable goods, compared to 11.7 percent for nondurable goods. Likewise, net income produced at factor cost was higher for durable goods, 14.9 percent of sales, compared to 10.4 percent for nondurable goods.

## CAPITAL EXPENDITURES

Total capital expenditures for depreciable assets of merchant wholesalers amounted to \$15.3 billion in 1987, an increase of 11.1 percent over the \$13.7 billion reported for 1982. Expenditures of \$14.0 billion for new facilities, structures, and equipment in 1987 accounted for 91.4 percent of the total.

Capital expenditures in the durable goods trade totaled \$8.4 billion in 1987, an increase of 21.7 percent over the \$6.9 billion reported in 1982. Nondurable goods wholesalers showed a smaller increase, 1.1 percent over 1982, with expenditures amounting to \$6.9 billion in 1987 compared to \$6.8 billion in 1982.

Kinds of business reporting the largest capital expenditures in 1987 included machinery, equipment, and supplies, with \$3.0 billion; groceries and related products, \$2.1 billion; and motor vehicles, auto parts, and supplies, \$1.5 billion.

## DEPRECIABLE ASSETS

The gross (acquisition) value of depreciable assets of merchant wholesalers amounted to \$126.9 billion at the end of 1986. After adding capital expenditures and deducting assets sold, retired, scrapped, and destroyed, the year 1987 ended with the gross value of depreciable assets amounting to \$137.3 billion, representing a 8.2 percent annual increase.

The kinds of business representing the highest value of depreciable assets at the end of 1987 were machinery, equipment, and supplies, with \$23.9 billion; groceries and related products, \$17.6 billion; and petroleum and petroleum products, \$13.3 billion.

## OPERATING EXPENSES

Total operating expenses of merchant wholesalers amounted to \$239.6 billion in 1987, a 38.3 percent increase from 1982. Durable goods wholesalers accounted for \$137.7 billion, and \$101.9 billion were attributable to nondurable goods wholesalers. The following summarizes the findings for specific types of operating expenses.

**Supplemental labor costs (employer cost for fringe benefits)**—Total supplemental labor costs for merchant wholesalers amounted to \$19.5 billion in 1987. Legally required supplemental labor costs such as employers' social security contributions, unemployment tax, workers' compensation insurance, and State disability insurance programs amounted to \$10.0 billion, or 51.5 percent of the total. Voluntary labor costs, such as insurance premiums on hospital and medical plans, pension plans, and stock purchase plans, amounted to \$9.5 billion, or 48.5 percent of total supplemental labor costs.

**Depreciation charges**—Depreciation and amortization charges against depreciable assets totaled \$13.4 billion in



1987. Buildings and structures accounted for \$2.8 billion, or 20.7 percent of the total, while machinery and equipment amounted to the remaining \$10.6 billion, or 79.3 percent.

**Lease and rental payments**—Lease and rental payments in 1987 were \$12.0 billion for merchant wholesalers representing 5.0 percent of total operating expenses. Of these payments, \$8.8 billion were for buildings, other structures, and office space and \$3.2 billion were for machinery and equipment.

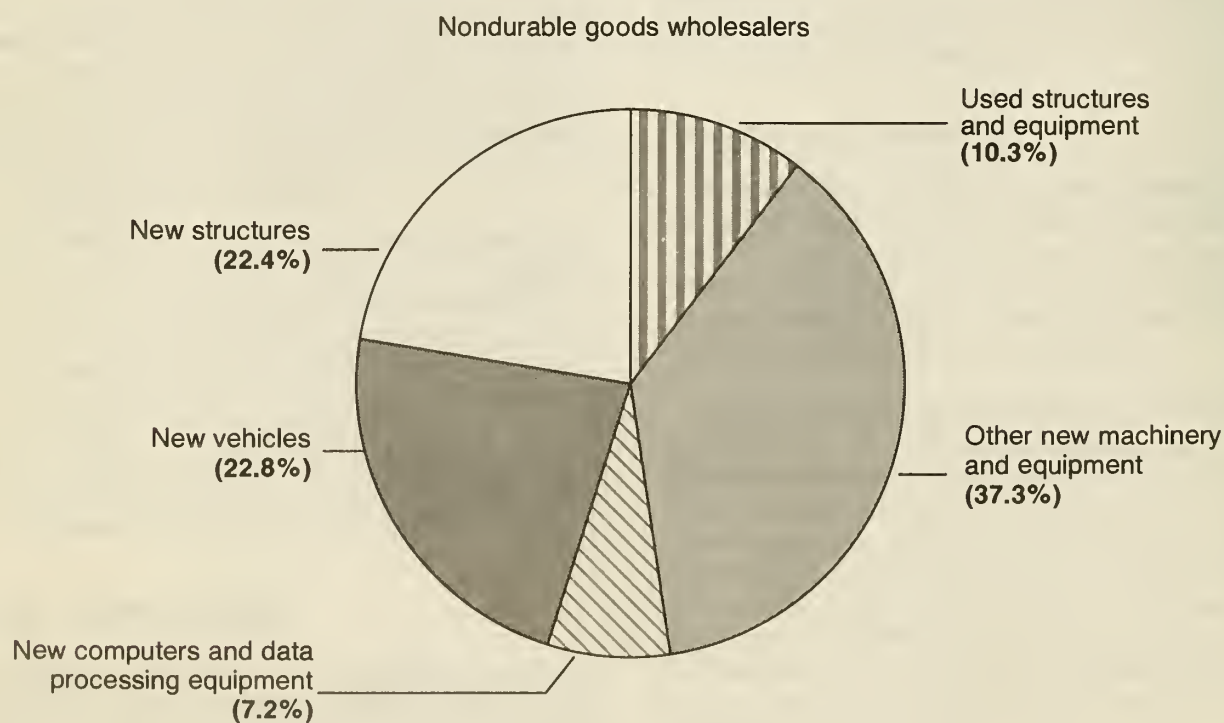
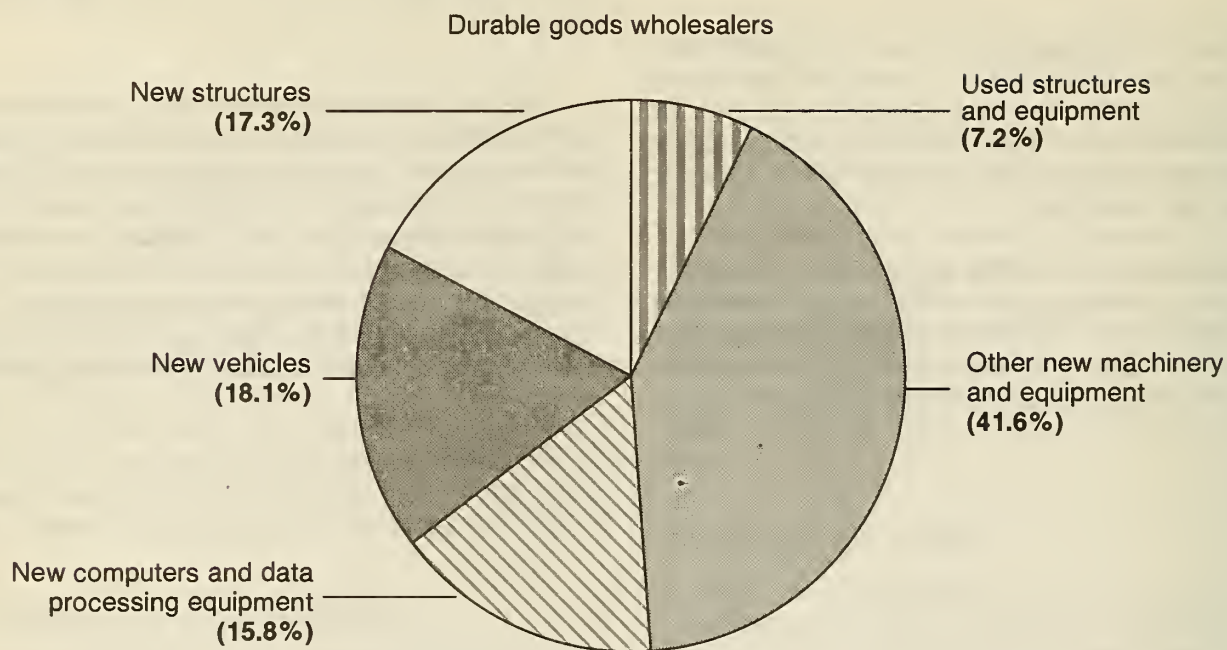
**Communication and utility expenses**—Communication services purchased by merchant wholesalers amounted to \$4.7 billion, while purchased electricity totaled \$2.8 billion and purchased fuels amounted to \$1.1 billion. As a percent of total operating expenses, these utility costs

represented 2.0 percent, 1.2 percent, and .46 percent, respectively. Note that these data represent only utilities which were purchased by firms in 1987, and exclude those utility costs which were part of normal lease and rental payments or franchise fees.

**Other operating expenses**—Other operating expenses of merchant wholesalers in 1987 included \$3.2 billion for office supplies, stationery, and postage; \$3.2 billion for purchased materials used in packaging, processing, shipping and selling of goods; \$8.2 billion for advertising; \$6.3 billion for sales commissions paid to others; \$2.2 billion in payments for outside work contracted to others in readying wholesalers' merchandise for sale; and \$4.3 billion for noncapitalized repairs to buildings, machinery, and equipment.

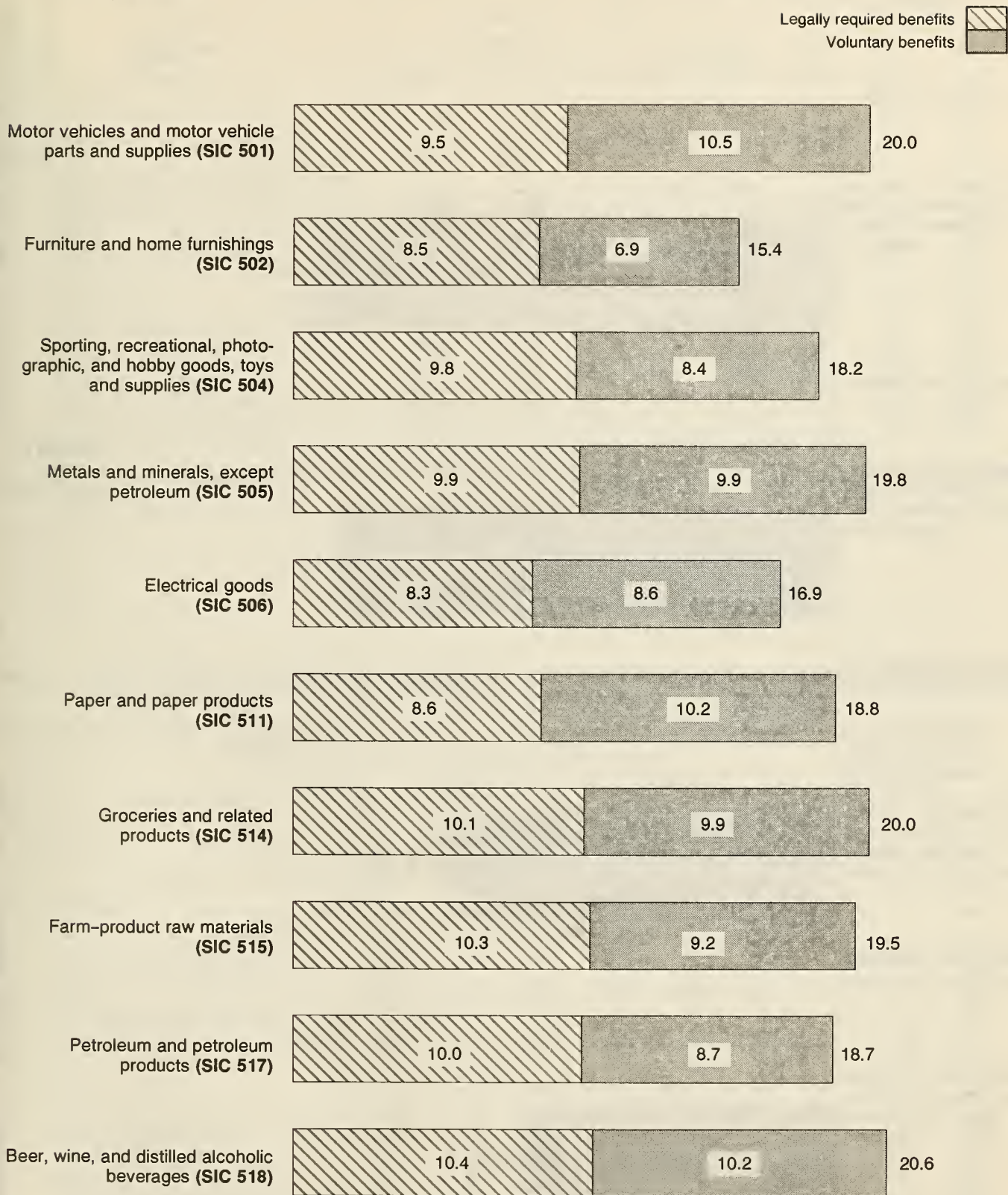


**Figure 1. Distribution of Capital Expenditures of Merchant Wholesalers by Type: 1987**



Note: Data are subject to sampling variability.

Figure 2. **Fringe Benefits as Percent of Annual Payroll of Selected Wholesale Industries: 1987**  
(Percent)





Note: Data are subject to sampling variability. Data are based on the 1972 Standard Industrial Classification.



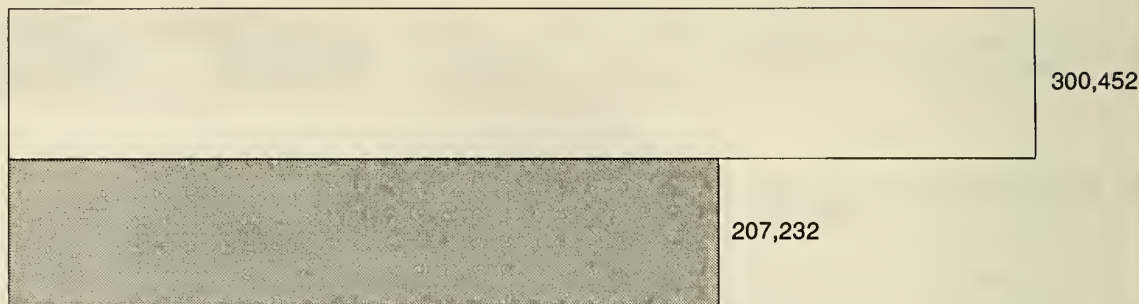
**Figure 3. Measures of Value Produced for Merchant Wholesalers:  
1987 and 1982**

(Dollar amounts are in millions)

1987   
1982 

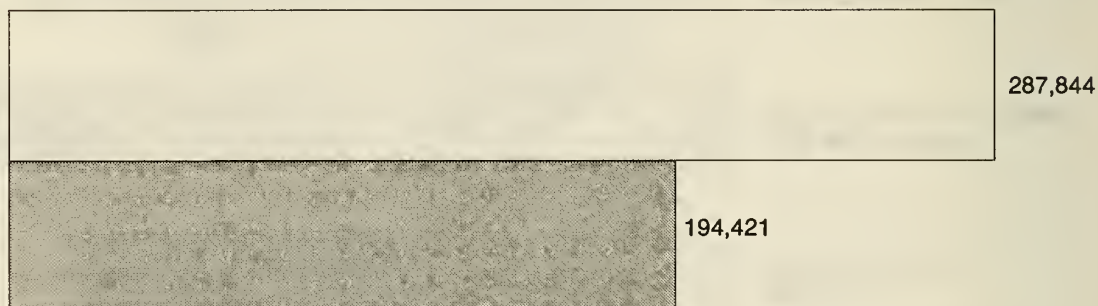
**Gross margin equals—**

Sales less cost of goods  
sold [beginning inventory  
+ purchases - ending  
inventory]



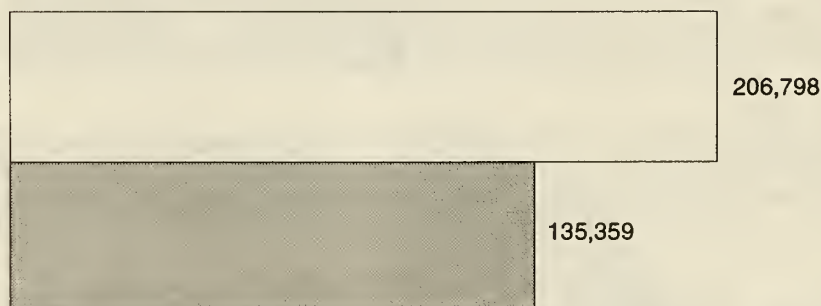
**Value added equals—**

Gross margin less office  
supplies, stationery,  
postage; electricity; fuels;  
contract work



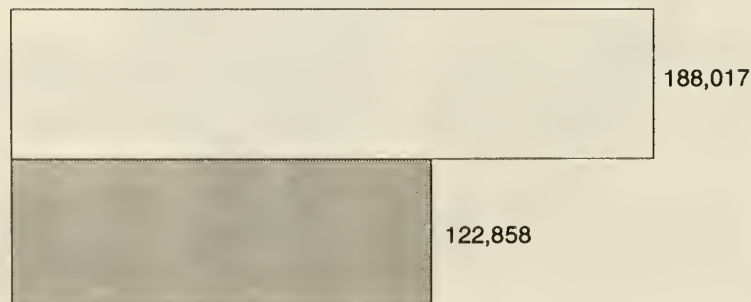
**Net income produced at  
market prices equals—**

Value added less  
lease and rental;  
communications;  
advertising;  
repairs; commissions;  
other (excluding  
taxes, depreciation,  
and interest on loans)



**Net income produced  
at factor cost equals—**

Net income produced  
at market prices less  
taxes; depreciation  
charges



Note: Data are subject to sampling variability.



Table 1. General Statistics: 1987

[Dollar amounts are in millions. Data are shown only for establishments with payroll. For meaning of abbreviations and symbols, see introductory text]

1972 SIC code	Kind of business	Sales	Purchases of merchandise for resale	Inventories <sup>1</sup>		Operating expenses <sup>1</sup>	Annual payroll <sup>1</sup>	Acquisition value of depreciable assets		Capital expenditures (other than land)
				End of 1987	End of 1986			End of 1987	End of 1986	
	Merchant wholesalers <sup>2</sup> -----	1 491 147	1 201 861	165 088	153 921	239 629	107 689	137 313	126 907	15 295
50	Durable goods stores <sup>2</sup> -----	727 730	562 110	105 864	99 740	137 724	63 182	70 534	65 280	8 376
501	Motor vehicles and automotive parts and supplies -----	155 176	130 481	21 209	19 578	21 141	8 423	11 238	10 285	1 477
502	Furniture and home furnishings -----	26 939	19 223	4 139	4 238	6 728	3 362	2 694	2 396	(S)
503	Lumber and other construction materials -----	58 375	43 583	5 401	4 690	10 755	5 321	6 758	6 034	845
504	Sporting, recreational, photographic, and hobby goods, toys and supplies -----	20 444	14 653	3 685	3 578	4 852	1 696	1 801	1 688	212
505	Metals and minerals, except petroleum <sup>2</sup> -----	67 598	54 650	8 750	8 526	9 818	4 532	7 350	7 110	(S)
506	Electrical goods -----	93 697	70 341	12 974	12 465	19 223	8 734	(S)	(S)	(S)
507	Hardware, and plumbing and heating equipment and supplies -----	41 386	30 843	6 412	6 025	8 802	(S)	(S)	(S)	(S)
508	Machinery, equipment, and supplies -----	197 100	141 196	37 030	35 091	49 496	(S)	23 856	22 421	3 012
509	Miscellaneous durable goods -----	67 015	57 140	6 264	5 550	6 910	(S)	(S)	(S)	(S)
51	Nondurable goods <sup>2</sup> -----	763 417	639 752	59 223	54 181	101 905	44 507	66 780	61 627	6 919
511	Paper and paper products -----	40 818	31 751	3 453	3 153	8 182	4 250	2 680	2 451	330
512	Drugs, drug proprietaries and druggists' sundries -----	33 977	29 605	4 931	4 314	3 413	(S)	1 821	1 659	206
513	Apparel, piece goods, and notions -----	46 572	33 007	7 569	7 204	10 309	3 907	3 181	2 918	346
514	Groceries and related products -----	223 020	190 452	12 755	11 521	26 840	13 350	17 573	15 957	2 071
515	Farm-product raw materials <sup>2</sup> -----	102 302	93 086	8 378	6 823	5 324	1 888	8 714	8 306	549
516	Chemicals and allied products -----	26 460	19 920	2 405	2 579	5 659	2 520	4 337	3 725	(S)
517	Petroleum and petroleum products -----	124 899	112 628	3 627	3 915	9 462	3 519	13 301	12 427	1 181
518	Beer, wine and distilled alcoholic beverages -----	41 587	32 120	3 718	3 663	7 797	3 761	4 006	3 816	(S)
519	Miscellaneous nondurable goods -----	123 782	97 182	12 388	11 012	(S)	(S)	11 166	10 367	1 160

Note: Detail may not add to total due to rounding. See table 15 for estimated measures of sampling variability (coefficients of variation).

<sup>1</sup>Inventories, operating expenses, and payroll data are not the same as in other reports from the 1987 Census of Wholesale Trade due to their sample basis and inclusion of auxiliaries.  
<sup>2</sup>Sales data for SIC's 5051 pt. and the 515 trade group are reported on a different basis than the 1987 Census of Wholesale Trade. For an explanation of these differences see Method of Estimation in appendix A.

Table 2. Capital Expenditures and Acquisition Value of Depreciable Assets by Major Kind of Business: 1987

[Dollar amounts are in millions. Data are shown only for establishments with payroll. For meaning of abbreviations and symbols, see introductory text]

1972 SIC code	Kind of business	Acquisition value of depreciable assets						Capital expenditures (other than land)			Deductions from depreciable assets in 1987
		End of 1987			End of 1986						
		Total	Buildings, structures, and related facilities	Machinery, equipment, and other	Total	Buildings, structures, and related facilities	Machinery, equipment, and other	Total	New	Used	
	Merchant wholesalers¹ -----	137 313	42 087	95 226	126 907	39 956	86 950	15 295	13 974	1 321	5 031
50	Durable goods stores¹ -----	70 534	20 174	50 360	65 280	19 185	46 095	8 376	7 770	606	3 202
501	Motor vehicles and automotive parts and supplies--	11 238	3 461	7 777	10 285	3 339	6 945	1 477	1 441	36	524
502	Furniture and home furnishings -----	2 694	(S)	(S)	2 396	(S)	(S)	(S)	(S)	(S)	52
503	Lumber and other construction materials -----	6 758	(S)	(S)	6 034	(S)	(S)	845	795	(S)	120
504	Sporting, recreational, photographic, and hobby goods, toys and supplies -----	1 801	599	1 202	1 688	581	1 107	212	205	(S)	(S)
505	Metals and minerals, except petroleum¹ -----	7 350	(S)	(S)	7 110	1 988	5 123	(S)	(S)	(S)	(S)
506	Electrical goods -----	(S)	(S)	(S)	(S)	(S)	(S)	(S)	(S)	(S)	(S)
507	Hardware, and plumbing and heating equipment and supplies -----	(S)	855	(S)	(S)	795	(S)	(S)	(S)	(S)	(S)
508	Machinery, equipment, and supplies -----	23 856	6 884	16 971	22 421	6 419	16 002	3 012	2 696	316	1 645
509	Miscellaneous durable goods -----	(S)	(S)	(S)	(S)	(S)	(S)	(S)	412	(S)	(S)
51	Nondurable goods¹ -----	66 780	21 913	(S)	61 627	20 771	40 856	6 919	6 203	715	1 829
511	Paper and paper products -----	2 680	865	1 815	2 451	843	1 608	330	288	42	(S)
512	Drugs, drug proprietaries and druggists' sundries -----	1 821	520	1 301	1 659	475	1 184	206	193	13	44
513	Apparel, piece goods, and notions -----	3 181	(S)	(S)	2 918	(S)	(S)	346	313	(S)	84
514	Groceries and related products -----	17 573	5 112	12 461	15 957	5 038	10 919	2 071	1 816	(S)	471
515	Farm-product raw materials¹ -----	8 714	4 402	4 313	8 306	4 238	4 068	549	480	(S)	(S)
516	Chemicals and allied products -----	4 337	(S)	(S)	3 725	(S)	(S)	(S)	(S)	(S)	(S)
517	Petroleum and petroleum products -----	13 301	(S)	(S)	12 427	(S)	(S)	1 181	1 071	(S)	308
518	Beer, wine and distilled alcoholic beverages -----	4 006	1 393	2 613	3 816	1 384	2 432	(S)	(S)	(S)	(S)
519	Miscellaneous nondurable goods -----	11 166	(S)	(S)	10 367	(S)	(S)	1 160	1 065	(S)	(S)

Note: Detail may not add to total due to rounding. See table 15 for estimated measures of sampling variability (coefficients of variation). Value of assets at end of 1986 plus 1987 capital expenditures minus asset deductions may not necessarily equal the value of assets at end of 1987 due to corporate mergers, exchange of stock, and other noncategorized acquisitions, not shown separately.

<sup>1</sup>Sales data for SIC's 5051 pt. and the 515 trade group are reported on a different basis than the 1987 Census of Wholesale Trade. For an explanation of these differences see Method of Estimation in appendix A.

**Table 3. Detailed Capital Expenditures by Major Kind of Business: 1987**

[Dollar amounts are in millions. Data are shown only for establishments with payroll. For meaning of abbreviations and symbols, see introductory text]

1972 SIC code	Kind of business	Capital expenditures (other than land)						
		Total	New capital expenditures					Used buildings, structures, machinery, equipment, and other depreciable assets acquired from others
			Total	Buildings, structures, and related facilities	Highway vehicles	Computer hardware and data processing equipment	All other	
	Merchant wholesalers <sup>1</sup> -----	15 295	13 974	2 996	3 093	1 827	6 058	1 321
50	Durable goods <sup>1</sup> -----	8 376	7 770	1 449	1 517	1 326	3 479	606
501	Motor vehicles and automotive parts and supplies -----	1 477	1 441	354	(S)	126	(S)	36
502	Furniture and home furnishings -----	(S)	(S)	(S)	(S)	(S)	(S)	(S)
503	Lumber and other construction materials -----	845	795	(S)	270	37	(S)	(S)
504	Sporting, recreational, photographic, and hobby goods, toys and supplies -----	212	205	30	(S)	32	115	(S)
505	Metals and minerals, except petroleum <sup>1</sup> -----	(S)	(S)	(S)	(S)	(S)	(S)	(S)
506	Electrical goods -----	(S)	(S)	(S)	(S)	(S)	(S)	(S)
507	Hardware, and plumbing and heating equipment and supplies -----	(S)	(S)	(S)	(S)	(S)	(S)	(S)
508	Machinery, equipment, and supplies -----	3 012	2 696	373	465	724	1 134	316
509	Miscellaneous durable goods -----	(S)	412	(S)	(S)	(S)	(S)	(S)
51	Nondurable goods <sup>1</sup> -----	6 919	6 203	1 547	1 576	501	2 579	715
511	Paper and paper products -----	330	288	(S)	(S)	(S)	106	42
512	Drugs, drug proprietaries and druggists' sundries-----	206	193	61	(S)	(S)	(S)	13
513	Apparel, piece goods, and notions -----	346	313	(S)	(S)	65	(S)	(S)
514	Groceries and related products -----	2 071	1 816	(S)	542	101	755	(S)
515	Farm-product raw materials <sup>1</sup> -----	549	480	(S)	(S)	18	207	(S)
516	Chemicals and allied products -----	(S)	(S)	(S)	(S)	(S)	(S)	(S)
517	Petroleum and petroleum products -----	1 181	1 071	(S)	238	32	(S)	(S)
518	Beer, wine and distilled alcoholic beverages -----	(S)	(S)	(S)	(S)	(S)	(S)	(S)
519	Miscellaneous nondurable goods -----	1 160	1 065	(S)	(S)	124	(S)	(S)

Note: Detail may not add to total due to rounding. See table 15 for estimated measures of sampling variability (coefficients of variation).

<sup>1</sup>Sales data for SIC's 5051 pt. and the 515 trade group are reported on a different basis than the 1987 Census of Wholesale Trade. For an explanation of these differences see Method of Estimation in appendix A.

**Table 4. Detailed Acquisition Value of Depreciable Assets, Depreciation Charges, and Lease and Rental Payments by Major Kind of Business: 1987**

[Dollar amounts are in millions. Data are shown only for establishments with payroll. For meaning of abbreviations and symbols, see introductory text]

1972 SIC code	Kind of business	Acquisition value of depreciable assets						Depreciation charges in 1987			Lease and rental payments		
		End of 1987			End of 1986								
		Total	Buildings, structures, and related facilities	Machinery, equipment, and other	Total	Buildings, structures, and related facilities	Machinery, equipment, and other	Total	Buildings, structures, and related facilities	Machinery, equipment, and other	Total	Buildings, structures, and related facilities	Machinery, equipment, and other
	<b>Merchant wholesalers<sup>1</sup></b> .....	137 313	42 087	95 226	126 907	39 956	86 950	13 366	2 768	10 598	12 043	8 836	3 207
50	<b>Durable goods<sup>1</sup></b> .....	70 534	20 174	50 360	65 280	19 185	46 095	7 426	1 349	6 077	6 934	5 342	1 592
501	Motor vehicles and automotive parts and supplies .....	11 238	3 461	7 777	10 285	3 339	6 945	1 229	266	963	1 180	938	242
502	Furniture and home furnishings .....	2 694	(S)	(S)	2 396	(S)	(S)	285	(S)	(S)	470	401	68
503	Lumber and other construction materials .....	6 758	(S)	(S)	6 034	(S)	(S)	(S)	(S)	(S)	516	396	(S)
504	Sporting, recreational, photographic, and hobby goods, toys and supplies .....	1 801	599	1 202	1 688	581	1 107	182	36	146	(S)	(S)	(S)
505	Metals and minerals, except petroleum <sup>2</sup> .....	7 350	(S)	(S)	7 110	1 988	5 123	(S)	(S)	(S)	(S)	(S)	(S)
506	Electrical goods .....	(S)	(S)	(S)	(S)	(S)	(S)	(S)	(S)	(S)	924	742	182
507	Hardware, and plumbing and heating equipment and supplies .....	(S)	855	(S)	(S)	795	(S)	(S)	(S)	277	554	432	122
508	Machinery, equipment, and supplies .....	23 856	6 884	16 971	22 421	6 419	16 002	2 820	388	2 432	2 382	1 725	657
509	Miscellaneous durable goods .....	(S)	(S)	(S)	(S)	(S)	(S)	(S)	(S)	(S)	(S)	(S)	(S)
51	<b>Nondurable goods<sup>1</sup></b> .....	86 780	21 913	(S)	61 627	20 771	40 858	5 940	1 419	4 521	5 109	3 494	1 815
511	Paper and paper products .....	2 680	865	1 815	2 451	843	1 608	304	47	257	494	359	135
512	Drugs, drug proprietaries and druggists' sundries .....	1 821	520	1 301	1 659	475	1 184	152	(S)	125	179	105	74
513	Apparel, piece goods, and notions .....	3 181	(S)	(S)	2 918	(S)	(S)	(S)	(S)	(S)	(S)	(S)	(S)
514	Groceries and related products .....	17 573	5 112	12 461	15 957	5 038	10 919	1 622	(S)	1 312	1 212	609	603
515	Farm-product raw materials <sup>1</sup> .....	8 714	4 402	4 313	8 306	4 238	4 068	639	(S)	343	258	158	100
516	Chemicals and allied products .....	4 337	(S)	(S)	3 725	(S)	(S)	(S)	(S)	(S)	263	162	100
517	Petroleum and petroleum products .....	13 301	(S)	(S)	12 427	(S)	(S)	979	260	719	548	412	136
518	Beer, wine and distilled alcoholic beverages .....	4 008	1 393	2 613	3 816	1 384	2 432	369	78	291	391	259	132
519	Miscellaneous nondurable goods .....	11 168	(S)	(S)	10 367	(S)	(S)	1 154	(S)	(S)	1 218	934	284

Note: Detail may not add to total due to rounding. See table 15 for estimated measures of sampling variability (coefficients of variation).

<sup>1</sup>Sales data for SIC's 5051 pt. and the 515 trade group are reported on a different basis than the 1987 Census of Wholesale Trade. For an explanation of these differences see Method of Estimation in appendix A.



**Table 5. Comparative Statistics on Capital Expenditures: 1987 and 1982**

[Dollar amounts are in millions. Data are shown only for establishments with payroll. For meaning of abbreviations and symbols, see introductory text]

1972 SIC code	Kind of business	Capital expenditures (other than land)											
		Total		New capital expenditures						Used buildings, structures, machinery, equipment, and other depreciable assets acquired from others			
				Total				Buildings, structures, and related facilities				Machinery, equipment, and other	
				1987	1982	1987	1982	1987	1982			1987	1982
	Merchant wholesalers¹ -----	15 295	13 725	13 974	12 530	2 996	3 731	10 978	8 800	1 321	1 195		
50	Durable goods¹ -----	8 376	6 880	7 770	6 416	1 449	1 763	6 321	4 653	606	463		
501	Motor vehicles and automotive parts and supplies -----	1 477	943	1 441	903	354	323	1 087	581	36	(NA)		
502	Furniture and home furnishings -----	(S)	191	(S)	189	(S)	(NA)	(S)	102	(S)	(NA)		
503	Lumber and other construction materials -----	845	321	795	285	(S)	(NA)	(S)	180	(S)	(NA)		
504	Sporting, recreational, photographic, and hobby goods, toys and supplies -----	212	111	205	103	30	(NA)	175	78	(S)	(NA)		
505	Metals and minerals, except petroleum¹ -----	(S)	732	(S)	656	(S)	172	(S)	484	(S)	76		
506	Electrical goods -----	(S)	589	(S)	584	(S)	128	(S)	457	(S)	(NA)		
507	Hardware, and plumbing and heating equipment and supplies -----	(S)	443	(S)	420	(S)	(NA)	(S)	258	(S)	(NA)		
508	Machinery, equipment, and supplies -----	3 012	2 853	2 696	2 636	373	613	2 323	2 023	316	(NA)		
509	Miscellaneous durable goods -----	(S)	(NA)	412	(NA)	(S)	(NA)	326	(NA)	(S)	(NA)		
51	Nondurable goods¹ -----	6 919	6 845	6 203	6 114	1 547	1 967	4 657	4 147	715	731		
511	Paper and paper products -----	330	237	288	224	(S)	67	242	157	42	(NA)		
512	Drugs, drug proprietaries and druggists' sundries -----	206	194	193	186	61	57	131	129	13	(NA)		
513	Apparel, piece goods, and notions -----	346	(NA)	313	235	(S)	(NA)	245	161	(S)	(NA)		
514	Groceries and related products -----	2 071	1 632	1 816	1 435	(S)	454	1 399	981	(S)	(NA)		
515	Farm-product raw materials¹ -----	549	(NA)	480	(NA)	(S)	(NA)	303	(NA)	(S)	(NA)		
516	Chemicals and allied products -----	(S)	409	(S)	362	(S)	(NA)	(S)	290	(S)	(NA)		
517	Petroleum and petroleum products -----	1 181	1 488	1 071	1 269	(S)	290	764	(NA)	(S)	218		
518	Beer, wine and distilled alcoholic beverages -----	(S)	636	(S)	614	(S)	(NA)	(S)	365	(S)	(NA)		
519	Miscellaneous nondurable goods -----	1 160	966	1 065	904	(S)	273	865	631	(S)	(NA)		

Note: Detail may not add to total due to rounding. See table 15 for estimated measures of sampling variability (coefficients of variation).

<sup>1</sup>Sales data for SIC's 5051 pt. and the 515 trade group are reported on a different basis than the 1987 Census of Wholesale Trade. For an explanation of these differences see Method of Estimation in appendix A.

**Table 6. Sales, Annual Payroll, and Employer Costs for Fringe Benefits by Major Kind of Business: 1987**

[Dollar amounts are in millions. Data are shown only for establishments with payroll. For meaning of abbreviations and symbols, see introductory text]

1972 SIC code	Kind of business	Sales	Operating expenses <sup>1</sup>	Annual payroll <sup>2</sup>	Employer costs for fringe benefits			Annual payroll as percent of—		Employer costs for fringe benefits as percent of—	
					Total	Legally required expend- itures	Voluntary expend- itures	Sales	Operating expenses	Operating expenses	Annual payroll
	<b>Merchant wholesalers<sup>3</sup></b> .....	1 491 147	239 629	107 689	19 504	10 047	9 457	7.2	44.9	8.1	18.1
50	<b>Durable goods<sup>3</sup></b> .....	727 730	137 724	63 182	11 165	5 745	5 421	8.7	45.9	8.1	17.7
501	Motor vehicles and automotive parts and supplies ..	155 176	21 141	8 423	1 691	804	888	5.4	39.8	8.0	20.1
502	Furniture and home furnishings .....	26 939	6 728	3 362	518	286	232	12.5	50.0	7.7	15.4
503	Lumber and other construction materials .....	58 375	10 755	5 321	926	(S)	(S)	9.1	49.5	8.6	17.4
504	Sporting, recreational, photographic, and hobby goods, toys and supplies .....	20 444	4 852	1 696	309	167	142	8.3	34.9	6.4	18.2
505	Metals and minerals, except petroleum <sup>3</sup> .....	67 598	9 818	4 532	896	449	447	6.7	46.2	9.1	19.8
506	Electrical goods .....	93 697	19 223	8 734	1 475	725	750	9.3	45.4	7.7	16.9
507	Hardware, and plumbing and heating equipment and supplies .....	41 386	8 802	(S)	786	403	383	(S)	(S)	8.9	(S)
508	Machinery, equipment, and supplies .....	197 100	49 496	(S)	4 084	2 168	1 915	(S)	(S)	8.3	(S)
509	Miscellaneous durable goods .....	67 015	6 910	(S)	(S)	(S)	(S)	(S)	(S)	(S)	(S)
51	<b>Nondurable goods<sup>3</sup></b> .....	763 417	101 905	44 507	8 339	4 303	4 036	5.8	43.7	8.2	18.7
511	Paper and paper products .....	40 818	8 182	4 250	797	365	432	10.4	51.9	9.7	18.8
512	Drugs, drug proprietaries and druggists' sundries ..	33 977	3 413	(S)	273	130	143	(S)	(S)	8.0	(S)
513	Apparel, piece goods, and notions .....	46 572	10 309	3 907	(S)	(S)	(S)	8.4	37.9	(S)	(S)
514	Groceries and related products .....	223 020	26 840	13 350	2 674	1 346	1 328	6.0	49.7	10.0	20.0
515	Farm-product raw materials <sup>3</sup> .....	102 302	5 324	1 888	366	194	173	1.8	35.5	6.9	19.4
516	Chemicals and allied products .....	26 460	5 659	2 520	(S)	(S)	(S)	9.5	44.5	(S)	(S)
517	Petroleum and petroleum products .....	124 899	9 462	3 519	658	353	305	2.8	37.2	7.0	18.7
518	Beer, wine and distilled alcoholic beverages .....	41 587	7 797	3 761	778	393	385	9.0	48.2	10.0	20.7
519	Miscellaneous nondurable goods .....	123 782	(S)	(S)	1 712	992	720	(S)	(S)	(S)	(S)

Note: Detail may not add to total due to rounding. For estimated measures of sampling variability (coefficients of variation) see explanation in appendix A for percentage columns and table 15 for other columns.

<sup>1</sup>Operating expenses are not the same as in other reports from the 1987 Census of Wholesale Trade due to their sample basis and inclusion of auxiliaries.

<sup>2</sup>Payroll data are not the same as in other reports from the 1987 Census of Wholesale Trade due to their sample basis and inclusion of auxiliaries.

<sup>3</sup>Sales data for SIC's 5051 pt. and the 515 trade group are reported on a different basis than the 1987 Census of Wholesale Trade. For an explanation of these differences see Method of Estimation in appendix A.



**Table 7. Annual Payroll and Employer Costs for Fringe Benefits by Legal Form of Organization: 1987**

[Dollar amounts are in millions. Data are shown only for establishments with payroll. For meaning of abbreviations and symbols, see introductory text]

Legal form of organization <sup>1</sup>	Annual payroll <sup>2</sup>	Employer costs for fringe benefits			Employer costs for fringe benefits as percent of annual payroll
		Total	Legally required expenditures	Voluntary expenditures	
<b>Merchant wholesalers</b> .....	<b>107 689</b>	<b>19 504</b>	<b>10 047</b>	<b>9 457</b>	<b>18.1</b>
Corporations .....	103 552	18 775	9 614	9 161	18.1
All other .....	4 137	729	433	296	17.6
<b>Durable goods</b> .....	<b>63 182</b>	<b>11 165</b>	<b>5 745</b>	<b>5 421</b>	<b>17.7</b>
Corporations .....	61 266	10 838	5 544	5 294	17.7
All other .....	1 916	327	200	(S)	17.1
<b>Nondurable goods</b> .....	<b>44 507</b>	<b>8 339</b>	<b>4 303</b>	<b>4 036</b>	<b>18.7</b>
Corporations .....	42 286	7 937	4 070	3 867	18.8
All other .....	2 221	402	233	169	18.1

Note: Detail may not add to total due to rounding. For estimated measures of sampling variability (coefficients of variation) see explanation in appendix A for percentage columns and table 15 for other columns.

<sup>1</sup>Sales data for SIC's 5051 pt. and the 515 trade group are reported on a different basis than the 1987 Census of Wholesale Trade. For an explanation of these differences see Method of Estimation in appendix A.

<sup>2</sup>Payroll data are not the same as in other reports from the 1987 Census of Wholesale Trade due to their sample basis and inclusion of auxiliaries.

**Table 8. Operating Expenses by Type and by Major Kind of Business: 1987**

[Dollar amounts are in millions. Data are shown only for establishments with payroll. For meaning of abbreviations and symbols, see introductory text]

1972 SIC code	Kind of business	Operating expenses <sup>1</sup>	Annual payroll <sup>2</sup>		Employer costs for fringe benefits		Taxes and license fees		Depreciation and amortization charges		Lease and rental payments		Telephone and other purchased communications		Purchased utilities <sup>3</sup>	
			Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
	<b>Merchant wholesalers<sup>4</sup></b> .....	<b>239 629</b>	<b>107 689</b>	<b>44.9</b>	<b>19 504</b>	<b>8.1</b>	<b>5 415</b>	<b>2.3</b>	<b>13 366</b>	<b>5.6</b>	<b>12 043</b>	<b>5.0</b>	<b>4 688</b>	<b>2.0</b>	<b>4 377</b>	<b>1.8</b>
50	<b>Durable goods<sup>4</sup></b> .....	<b>137 724</b>	<b>63 182</b>	<b>45.9</b>	<b>11 165</b>	<b>8.1</b>	<b>1 549</b>	<b>1.1</b>	<b>7 428</b>	<b>5.4</b>	<b>6 934</b>	<b>5.0</b>	<b>3 099</b>	<b>2.3</b>	<b>2 085</b>	<b>1.5</b>
501	Motor vehicles and automotive parts and supplies .....	21 141	8 423	39.8	1 691	8.0	230	1.1	1 229	5.8	1 180	5.6	387	1.8	357	1.7
502	Furniture and home furnishings ..	6 728	3 362	50.0	518	7.7	(S)	(S)	285	4.2	470	7.0	130	1.9	84	1.2
503	Lumber and other construction materials .....	10 755	5 321	49.5	926	8.6	136	1.3	(S)	(S)	516	4.8	(S)	(S)	237	2.2
504	Sporting, recreational, photographic, and hobby goods, toys and supplies .....	4 852	1 696	34.9	309	6.4	46	.9	182	3.8	(S)	(S)	82	1.7	67	1.4
505	Metals and minerals, except petroleum <sup>4</sup> .....	9 818	4 532	46.2	896	9.1	152	1.5	(S)	(S)	(S)	(S)	232	2.4	(S)	(S)
506	Electrical goods .....	19 223	8 734	45.4	1 475	7.7	173	.9	(S)	(S)	924	4.8	520	2.7	251	1.3
507	Hardware, and plumbing and heating equipment and supplies ..	8 802	(S)	(S)	786	8.9	100	1.1	(S)	(S)	554	6.3	203	2.3	129	1.5
508	Machinery, equipment, and supplies .....	49 496	(S)	(S)	4 084	8.3	543	1.1	2 820	5.7	2 382	4.8	1 201	2.4	633	1.3
509	Miscellaneous durable goods .....	6 910	(S)	(S)	(S)	(S)	(S)	(S)	(S)	(S)	(S)	(S)	(S)	(S)	(S)	(S)
51	<b>Nondurable goods<sup>4</sup></b> .....	<b>101 905</b>	<b>44 507</b>	<b>43.7</b>	<b>8 339</b>	<b>8.2</b>	<b>3 888</b>	<b>3.8</b>	<b>5 940</b>	<b>5.8</b>	<b>5 109</b>	<b>5.0</b>	<b>1 588</b>	<b>1.8</b>	<b>2 292</b>	<b>2.2</b>
511	Paper and paper products .....	8 182	4 250	51.9	797	9.7	90	1.1	304	3.7	494	6.0	177	2.2	118	1.4
512	Drugs, drug proprietaries and druggists' sundries .....	3 413	(S)	(S)	273	8.0	44	1.3	152	4.4	179	5.3	(S)	(S)	49	1.4
513	Apparel, piece goods, and notions .....	10 309	3 907	37.9	(S)	(S)	(S)	(S)	(S)	(S)	(S)	(S)	(S)	(S)	(S)	(S)
514	Groceries and related products ..	26 840	13 350	49.7	2 674	10.0	475	1.8	1 622	8.0	1 212	4.5	384	1.4	849	3.2
515	Farm-product raw materials <sup>4</sup> .....	5 324	1 888	35.5	366	6.9	118	2.2	639	12.0	258	4.8	80	1.5	248	4.7
516	Chemicals and allied products .....	5 659	2 520	44.5	(S)	(S)	(S)	(S)	(S)	(S)	263	4.6	107	1.9	129	2.3
517	Petroleum and petroleum products .....	9 482	3 519	37.2	658	7.0	236	2.5	979	10.3	548	5.8	(S)	(S)	226	2.4
518	Beer, wine and distilled alcoholic beverages .....	7 797	3 781	48.2	778	10.0	(S)	(S)	369	4.7	391	5.0	65	.8	106	1.4
519	Miscellaneous nondurable goods ..	(S)	(S)	(S)	1 712	(S)	(S)	(S)	1 154	(S)	1 218	(S)	(S)	(S)	(S)	(S)

See footnotes at end of table.

Table 8. Operating Expenses by Type and by Major Kind of Business: 1987—Con.

[Dollar amounts are in millions. Data are shown only for establishments with payroll. For meaning of abbreviations and symbols, see introductory text]

1972 SIC code	Kind of business	Purchased office supplies		Purchased packaging and other materials		Advertising services		Commissions paid		Contract work		Purchased repair services		Other operating expenses	
		Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
	Merchant wholesalers <sup>4</sup> ----	3 243	1.4	3 189	1.3	8 154	3.4	6 292	2.6	2 243	.9	4 265	1.8	45 160	18.8
50	Durable goods <sup>4</sup> -----	1 907	1.4	1 635	1.2	5 929	4.3	3 243	2.4	1 248	.9	1 984	1.4	26 337	19.1
501	Motor vehicles and automotive parts and supplies -----	210	1.0	258	1.2	(S)	(S)	(S)	(S)	(S)	(S)	299	1.4	4 193	19.8
502	Furniture and home furnishings -----	89	1.3	(S)	(S)	214	3.2	296	4.4	(S)	(S)	(S)	(S)	973	14.5
503	Lumber and other construction materials -----	126	1.2	(S)	(S)	178	1.7	(S)	(S)	(S)	(S)	280	2.6	(S)	(S)
504	Sporting, recreational, photographic, and hobby goods, toys and supplies -----	75	1.5	130	2.7	(S)	(S)	(S)	(S)	(S)	(S)	51	1.0	1 294	26.7
505	Metals and minerals, except petroleum <sup>4</sup> -----	113	1.2	(S)	(S)	68	.7	197	2.0	(S)	(S)	224	2.3	(S)	(S)
506	Electrical goods -----	309	1.6	173	.9	903	4.7	492	2.6	114	.6	183	.9	(S)	(S)
507	Hardware, and plumbing and heating equipment and supplies -----	146	1.7	(S)	(S)	(S)	(S)	(S)	(S)	(S)	(S)	142	1.6	1 365	15.5
508	Machinery, equipment, and supplies -----	750	1.5	383	.8	1 295	2.6	(S)	(S)	366	.7	581	1.2	(S)	(S)
509	Miscellaneous durable goods -----	89	1.3	(S)	(S)	(S)	(S)	(S)	(S)	91	1.3	(S)	(S)	(S)	(S)
51	Nondurable goods <sup>4</sup> -----	1 336	1.3	1 554	1.5	2 225	2.2	3 049	3.0	995	1.0	2 281	2.2	18 823	18.5
511	Paper and paper products -----	131	1.6	70	.9	99	1.2	(S)	(S)	(S)	(S)	112	1.4	1 268	15.5
512	Drugs, drug proprietaries and druggists' sundries -----	56	1.6	(S)	(S)	111	3.3	(S)	(S)	(S)	(S)	48	1.4	789	23.1
513	Apparel, piece goods, and notions -----	(S)	(S)	(S)	(S)	(S)	(S)	(S)	(S)	(S)	(S)	(S)	(S)	(S)	(S)
514	Groceries and related products -----	324	1.2	(S)	(S)	346	1.3	(S)	(S)	(S)	(S)	707	2.6	(S)	(S)
515	Farm-product raw materials <sup>4</sup> -----	54	1.0	59	1.1	35	.7	72	1.4	56	1.0	223	4.2	1 229	23.1
516	Chemicals and allied products -----	79	1.4	(S)	(S)	56	1.0	(S)	(S)	(S)	(S)	(S)	(S)	(S)	(S)
517	Petroleum and petroleum products -----	121	1.3	(S)	(S)	(S)	(S)	(S)	(S)	170	1.8	407	4.3	2 156	23.2
518	Beer, wine and distilled alcoholic beverages -----	75	1.0	(S)	(S)	343	4.4	(S)	(S)	8	.1	188	2.4	1 340	17.2
519	Miscellaneous nondurable goods -----	367	(S)	406	(S)	686	(S)	(S)	(S)	(S)	(S)	432	(S)	(S)	(S)

Note: Detail may not add to total due to rounding. For estimated measures of sampling variability (coefficients of variation) see explanation in appendix A for percentage columns and table 15 for other columns.

<sup>1</sup>Operating expenses are not the same as in other reports from the 1987 Census of Wholesale Trade due to their sample basis and inclusion of auxiliaries.  
<sup>2</sup>Payroll data are not the same as in other reports from the 1987 Census of Wholesale Trade due to their sample basis and inclusion of auxiliaries.  
<sup>3</sup>These data represent only utilities which were purchased by firms in 1987, and exclude those utility costs which were part of normal lease and rental payments or franchise fees.  
<sup>4</sup>Sales data for SIC's 5051 pt. and the 515 trade group are reported on a different basis than the 1987 Census of Wholesale Trade. For an explanation of these differences see Method of Estimation in appendix A.

Table 9. Detailed Purchased Utilities by Major Kind of Business: 1987

[Dollar amounts are in millions. Data are shown only for establishments with payroll. For meaning of abbreviations and symbols, see introductory text]

1972 SIC code	Kind of business	Operating expenses <sup>1</sup>	Cost of purchased utilities <sup>2</sup>			
			All utilities	Electricity	Fuels (nonhighway)	Water, sewer, and other utilities
	Merchant wholesalers <sup>3</sup> -----	239 629	4 377	2 830	1 102	444
50	Durable goods <sup>3</sup> -----	137 724	2 085	1 374	501	210
501	Motor vehicles and automotive parts and supplies -----	21 141	357	239	78	40
502	Furniture and home furnishings -----	6 728	84	60	15	9
503	Lumber and other construction materials -----	10 755	237	118	(S)	(S)
504	Sporting, recreational, photographic, and hobby goods, toys and supplies -----	4 852	67	44	15	(S)
505	Metals and minerals, except petroleum <sup>3</sup> -----	9 818	(S)	130	45	14
506	Electrical goods -----	19 223	251	174	56	21
507	Hardware, and plumbing and heating equipment and supplies -----	8 802	129	85	30	14
508	Machinery, equipment, and supplies -----	49 496	633	436	133	65
509	Miscellaneous durable goods -----	6 910	(S)	(S)	(S)	(S)
51	Nondurable goods <sup>3</sup> -----	101 905	2 292	1 456	601	235
511	Paper and paper products -----	8 182	118	83	20	15
512	Drugs, drug proprietaries and druggists' sundries -----	3 413	49	31	15	4
513	Apparel, piece goods, and notions -----	10 309	(S)	(S)	(S)	(S)
514	Groceries and related products -----	26 840	849	526	(S)	(S)
515	Farm-product raw materials <sup>3</sup> -----	5 324	248	172	(S)	16
516	Chemicals and allied products -----	5 659	129	(S)	(S)	(S)
517	Petroleum and petroleum products -----	9 462	226	145	61	21
518	Beer, wine and distilled alcoholic beverages -----	7 797	106	72	25	9
519	Miscellaneous nondurable goods -----	(S)	(S)	289	135	44

Note: Detail may not add to total due to rounding. See table 15 for estimated measures of sampling variability (coefficients of variation).

<sup>1</sup>Operating expenses are not the same as in other reports from the 1987 Census of Wholesale Trade due to their sample basis and inclusion of auxiliaries.  
<sup>2</sup>These data represent only utilities which were purchased by firms in 1987, and exclude those utility costs which were part of normal lease and rental payments or franchise fees.  
<sup>3</sup>Sales data for SIC's 5051 pt. and the 515 trade group are reported on a different basis than the 1987 Census of Wholesale Trade. For an explanation of these differences see Method of Estimation in appendix A.



**Table 10. Detailed Repair Services by Major Kind of Business: 1987**

[Dollar amounts are in millions. Data are shown only for establishments with payroll. For meaning of abbreviations and symbols, see introductory text]

1972 SIC code	Kind of business	Operating expenses <sup>1</sup>	Purchased repair services			Acquisition value of depreciable assets at end of 1987	Capital expenditures (other than land)
			Total	Buildings, structures, and related facilities	Machinery and equipment		
	<b>Merchant wholesalers<sup>2</sup></b> .....	<b>239 629</b>	<b>4 265</b>	<b>1 199</b>	<b>3 067</b>	<b>137 313</b>	<b>15 295</b>
50	<b>Durable goods<sup>2</sup></b> .....	<b>137 724</b>	<b>1 984</b>	<b>614</b>	<b>1 370</b>	<b>70 534</b>	<b>8 376</b>
501	Motor vehicles and automotive parts and supplies .....	21 141	299	117	182	11 238	1 477
502	Furniture and home furnishings .....	6 728	(S)	(S)	(S)	2 694	(S)
503	Lumber and other construction materials .....	10 755	280	48	231	6 758	845
504	Sporting, recreational, photographic, and hobby goods, toys and supplies .....	4 852	51	12	39	1 801	212
505	Metals and minerals, except petroleum <sup>2</sup> .....	9 818	224	55	169	7 350	(S)
506	Electrical goods .....	19 223	183	78	105	(S)	(S)
507	Hardware, and plumbing and heating equipment and supplies .....	8 802	142	57	85	(S)	(S)
508	Machinery, equipment, and supplies .....	49 496	581	204	377	23 856	3 012
509	Miscellaneous durable goods .....	6 910	(S)	23	149	(S)	(S)
51	<b>Nondurable goods<sup>2</sup></b> .....	<b>101 905</b>	<b>2 281</b>	<b>585</b>	<b>1 696</b>	<b>66 780</b>	<b>6 919</b>
511	Paper and paper products .....	8 182	112	32	81	2 680	330
512	Drugs, drug proprietaries and druggists' sundries .....	3 413	48	14	34	1 821	206
513	Apparel, piece goods, and notions .....	10 309	(S)	(S)	(S)	3 181	346
514	Groceries and related products .....	26 840	707	164	543	17 573	2 071
515	Farm-product raw materials <sup>2</sup> .....	5 324	223	74	149	8 714	549
516	Chemicals and allied products .....	5 659	(S)	(S)	(S)	4 337	(S)
517	Petroleum and petroleum products .....	9 462	407	100	307	13 301	1 181
518	Beer, wine and distilled alcoholic beverages .....	7 797	188	41	147	4 006	(S)
519	Miscellaneous nondurable goods .....	(S)	432	113	319	11 166	1 160

Note: Detail may not add to total due to rounding. See table 15 for estimated measures of sampling variability (coefficients of variation).

<sup>1</sup>Operating expenses are not the same as in other reports from the 1987 Census of Wholesale Trade due to their sample basis and inclusion of auxiliaries.

<sup>2</sup>Sales data for SIC's 5051 pt. and the 515 trade group are reported on a different basis than the 1987 Census of Wholesale Trade. For an explanation of these differences see Method of Estimation in appendix A.

**Table 11. Sales, Cost of Goods Sold, and Measures of Value Produced by Major Kind of Business: 1987**

[Dollar amounts are in millions. Data are shown only for establishments with payroll. For meaning of abbreviations and symbols, see introductory text]

1972 SIC code	Kind of business	Sales	Cost of goods sold	Gross margin	Value added	Net income produced at—			
						Market prices		Factor cost	
						Amount	Percent of sales	Amount	Percent of sales
	<b>Merchant wholesalers<sup>1</sup></b> .....	<b>1 491 147</b>	<b>1 190 694</b>	<b>300 452</b>	<b>287 844</b>	<b>206 798</b>	<b>13.9</b>	<b>188 017</b>	<b>12.6</b>
50	<b>Durable goods<sup>1</sup></b> .....	<b>727 730</b>	<b>555 986</b>	<b>171 744</b>	<b>165 079</b>	<b>117 343</b>	<b>16.1</b>	<b>108 367</b>	<b>14.9</b>
501	Motor vehicles and automotive parts and supplies .....	155 176	128 849	26 327	25 425	16 759	10.8	15 300	9.9
502	Furniture and home furnishings .....	26 939	19 322	7 617	7 285	5 141	19.1	4 789	17.7
503	Lumber and other construction materials .....	58 375	42 872	15 503	(S)	(S)	(S)	10 996	18.8
504	Sporting, recreational, photographic, and hobby goods, toys and supplies .....	20 444	14 546	5 898	5 606	3 279	16.0	3 051	14.9
505	Metals and minerals, except petroleum <sup>1</sup> .....	67 598	54 426	(S)	(S)	9 418	13.9	8 782	13.0
506	Electrical goods .....	93 697	69 832	23 865	23 038	(S)	(S)	14 852	15.9
507	Hardware, and plumbing and heating equipment and supplies .....	41 386	30 456	10 930	(S)	(S)	(S)	7 550	18.2
508	Machinery, equipment, and supplies .....	197 100	139 257	57 843	55 776	39 345	20.0	35 981	18.3
509	Miscellaneous durable goods .....	67 015	56 426	10 589	10 122	7 507	11.2	(S)	(S)
51	<b>Nondurable goods<sup>1</sup></b> .....	<b>763 417</b>	<b>634 709</b>	<b>128 708</b>	<b>122 765</b>	<b>89 455</b>	<b>11.7</b>	<b>79 649</b>	<b>10.4</b>
511	Paper and paper products .....	40 818	31 451	9 367	9 031	6 627	16.2	6 232	15.3
512	Drugs, drug proprietaries and druggists' sundries .....	33 977	28 988	4 989	4 823	3 556	10.5	(S)	(S)
513	Apparel, piece goods, and notions .....	46 572	32 642	13 930	13 221	8 596	18.5	8 154	17.5
514	Groceries and related products .....	223 020	189 217	33 803	32 052	25 084	11.2	22 987	10.3
515	Farm-product raw materials <sup>1</sup> .....	102 302	91 531	(S)	(S)	(S)	(S)	(S)	(S)
516	Chemicals and allied products .....	26 460	20 094	6 366	6 010	4 138	15.6	3 682	13.9
517	Petroleum and petroleum products .....	124 899	112 915	11 984	11 439	7 913	6.3	6 698	5.4
518	Beer, wine and distilled alcoholic beverages .....	41 587	32 065	(S)	(S)	6 971	16.8	6 264	15.1
519	Miscellaneous nondurable goods .....	123 782	95 806	(S)	(S)	18 113	14.6	(S)	(S)

Note: Detail may not add to total due to rounding. For estimated measures of sampling variability (coefficients of variation) see explanation in appendix A for percentage columns and table 15 for other columns.

<sup>1</sup>Sales data for SIC's 5051 pt. and the 515 trade group are reported on a different basis than the 1987 Census of Wholesale Trade. For an explanation of these differences see Method of Estimation in appendix A.



Table 12. Comparative Statistics on Operating Expenses and Measures of Value Produced by Major Kind of Business: 1987 and 1982

[Dollar amounts are in millions. Data are shown only for establishments with payroll. For meaning of abbreviations and symbols, see introductory text]

1972 SIC code	Kind of business	Operating expenses <sup>1</sup>		Gross margin		Value added		Net income produced at—			
		1987	1982	1987	1982	1987	1982	Market prices		Factor cost	
								1987	1982	1987	1982
	Merchant wholesalers <sup>2</sup> -----	239 629	173 247	300 452	207 232	287 844	194 421	206 798	135 359	188 017	122 858
50	Durable goods <sup>2</sup> -----	137 724	98 622	171 744	116 725	165 079	110 266	117 343	76 279	108 367	70 803
501	Motor vehicles and automotive parts and supplies -----	21 141	14 542	26 327	20 461	25 425	19 592	16 759	14 654	15 300	13 873
502	Furniture and home furnishings -----	6 728	4 487	7 617	5 166	7 285	4 697	5 141	3 063	4 769	2 911
503	Lumber and other construction materials -----	10 755	6 639	15 503	7 783	(S)	7 389	(S)	5 148	10 996	4 735
504	Sporting, recreational, photographic, and hobby goods, toys and supplies -----	4 852	3 232	5 898	4 486	5 606	4 268	3 279	2 768	3 051	2 668
505	Metals and minerals, except petroleum <sup>1</sup> -----	9 818	8 061	(S)	10 084	(S)	9 157	9 418	6 545	8 782	5 963
506	Electrical goods -----	19 223	11 176	23 865	13 108	23 038	12 610	(S)	7 936	14 852	7 516
507	Hardware, and plumbing and heating equipment and supplies -----	8 802	7 406	10 930	7 884	(S)	7 514	(S)	5 060	7 550	4 734
508	Machinery, equipment, and supplies -----	49 496	36 177	57 843	42 293	55 776	40 163	39 345	28 609	35 981	26 542
509	Miscellaneous durable goods -----	6 910	6 903	10 589	5 459	10 122	4 875	7 507	2 495	(S)	1 862
51	Nondurable goods <sup>2</sup> -----	101 905	74 624	128 708	90 507	122 765	84 154	89 455	59 080	79 649	52 055
511	Paper and paper products -----	8 182	5 519	9 367	5 476	9 031	5 204	6 627	3 517	6 232	3 328
512	Drugs, drug proprietaries and druggists' sundries -----	3 413	2 767	4 989	3 763	4 823	3 610	3 556	2 718	(S)	2 571
513	Apparel, piece goods, and notions -----	10 309	(NA)	13 930	9 355	13 221	8 410	8 596	5 569	8 154	5 396
514	Groceries and related products -----	26 840	21 688	33 803	23 505	32 052	21 169	25 084	14 223	22 987	12 936
515	Farm-product raw materials <sup>2</sup> -----	5 324	(NA)	(S)	(NA)	(S)	(NA)	(S)	(NA)	(S)	(NA)
516	Chemicals and allied products -----	5 659	4 331	6 366	5 686	6 010	5 397	4 138	3 807	3 682	3 504
517	Petroleum and petroleum products -----	9 462	7 379	11 984	8 758	11 439	8 363	7 913	5 360	6 698	4 466
518	Beer, wine and distilled alcoholic beverages -----	7 797	6 744	(S)	9 046	(S)	8 812	6 971	6 845	6 264	5 887
519	Miscellaneous nondurable goods -----	(S)	13 357	(S)	18 761	(S)	17 657	18 113	13 571	(S)	11 246

Note: Detail may not add to total due to rounding. See table 15 for estimated measures of sampling variability (coefficients of variation).

<sup>1</sup>Operating expenses are not the same as in other reports from the 1987 Census of Wholesale Trade due to their sample basis and inclusion of auxiliaries.

<sup>2</sup>Sales data for SIC's 5051 pt. and the 515 trade group are reported on a different basis than the 1987 Census of Wholesale Trade. For an explanation of these differences see Method of Estimation in appendix A.

Table 13. Sales, Cost of Goods Sold, Measures of Value Produced, and Annual Payroll by Legal Form of Organization: 1987

[Dollar amounts are in millions. Data are shown only for establishments with payroll. For meaning of abbreviations and symbols, see introductory text]

Legal form of organization <sup>1</sup>	Sales	Cost of goods sold	Gross margin		Value added		Net income produced at—				Annual payroll <sup>2</sup>	
			Amount	Percent of sales	Amount	Percent of sales	Market prices		Factor cost		Amount	Percent of sales
							Amount	Percent of sales	Amount	Percent of sales		
Merchant wholesalers -----	1 491 147	1 190 694	300 452	20.1	287 844	19.3	206 798	13.9	188 017	12.6	107 689	7.2
Corporations -----	1 415 289	1 129 268	286 021	20.2	274 094	19.4	196 429	13.9	178 567	12.6	103 552	7.3
All other -----	75 858	61 427	(S)	(S)	(S)	(S)	(S)	(S)	(S)	(S)	4 137	5.5
Durable goods -----	727 730	555 986	171 744	23.6	165 079	22.7	117 343	16.1	108 367	14.9	63 182	8.7
Corporations -----	703 952	538 371	165 581	23.5	159 207	22.6	113 058	16.1	104 393	14.8	61 266	8.7
All other -----	23 778	(S)	(S)	(S)	(S)	(S)	(S)	(S)	(S)	(S)	1 916	8.1
Nondurable goods -----	763 417	634 709	128 708	16.9	122 765	16.1	89 455	11.7	79 649	10.4	44 507	5.8
Corporations -----	711 337	590 897	120 440	16.9	114 887	16.2	83 371	11.7	74 173	10.4	42 286	5.9
All other -----	52 080	43 812	(S)	(S)	(S)	(S)	(S)	(S)	(S)	(S)	2 221	4.3

Note: Detail may not add to total due to rounding. For estimated measures of sampling variability (coefficients of variation) see explanation in appendix A for percentage columns and table 15 for other columns.

<sup>1</sup>Sales data for SIC's 5051 pt. and the 515 trade group are reported on a different basis than the 1987 Census of Wholesale Trade. For an explanation of these differences see Method of Estimation in appendix A.

<sup>2</sup>Payroll data are not the same as in other reports from the 1987 Census of Wholesale Trade due to their sample basis and inclusion of auxiliaries.

**Table 14. Acquisition Value of Depreciable Assets, Capital Expenditures, Sales, and Total Operating Expenses of Corporations by Major Kind of Business: 1987**

[Dollar amounts are in millions. Data are shown only for establishments with payroll. For meaning of abbreviations and symbols, see introductory text]

1972 SIC code	Kind of business	Acquisition value of depreciable assets at—		Capital expenditures (other than land)	Sales	Purchases of merchandise for resale	Operating expenses <sup>1</sup>
		End of 1987	End of 1986				
	<b>Merchant wholesalers<sup>2</sup></b> -----	<b>128 946</b>	<b>118 925</b>	<b>14 701</b>	<b>1 415 289</b>	<b>1 140 559</b>	<b>229 781</b>
<b>50</b>	<b>Durable goods<sup>2</sup></b> -----	<b>68 438</b>	<b>63 364</b>	<b>8 132</b>	<b>703 952</b>	<b>544 397</b>	<b>133 292</b>
501	Motor vehicles and automotive parts and supplies -----	10 715	9 791	1 436	150 102	126 493	20 302
502	Furniture and home furnishings -----	2 588	2 301	(S)	25 947	18 560	6 512
503	Lumber and other construction materials -----	6 715	5 996	837	55 579	41 138	10 513
504	Sporting, recreational, photographic, and hobby goods, toys and supplies -----	1 782	1 673	209	19 851	14 129	4 799
505	Metals and minerals, except petroleum <sup>1</sup> -----	7 151	6 920	482	66 361	53 737	9 544
506	Electrical goods -----	8 281	(S)	1 156	91 889	69 067	18 872
507	Hardware, and plumbing and heating equipment and supplies -----	(S)	(S)	349	40 251	29 999	8 584
508	Machinery, equipment, and supplies -----	23 047	21 691	2 894	189 906	136 204	47 669
509	Miscellaneous durable goods -----	3 786	(S)	432	64 066	55 070	6 496
<b>51</b>	<b>Nondurable goods<sup>2</sup></b> -----	<b>60 509</b>	<b>55 561</b>	<b>6 569</b>	<b>711 337</b>	<b>596 162</b>	<b>96 489</b>
511	Paper and paper products -----	2 593	2 368	325	39 844	31 047	8 016
512	Drugs, drug proprietaries and druggists' sundries -----	1 756	1 594	202	33 458	29 182	3 342
513	Apparel, piece goods, and notions -----	3 163	2 905	341	45 023	31 674	9 943
514	Groceries and related products -----	16 604	15 065	1 951	209 063	178 341	25 182
515	Farm-product raw materials <sup>2</sup> -----	6 823	6 450	487	85 797	79 827	4 513
516	Chemicals and allied products -----	4 279	3 661	(S)	25 964	19 494	5 532
517	Petroleum and petroleum products -----	12 345	11 504	1 107	118 250	106 705	8 814
518	Beer, wine and distilled alcoholic beverages -----	3 914	3 727	388	39 737	30 689	7 537
519	Miscellaneous nondurable goods -----	9 032	8 287	1 099	114 201	89 203	23 610

Note: Detail may not add to total due to rounding. See table 15 for estimated measures of sampling variability (coefficients of variation).

<sup>1</sup>Operating expenses are not the same as in other reports from the 1987 Census of Wholesale Trade due to their sample basis and inclusion of auxiliaries.

<sup>2</sup>Sales data for SIC's 5051 pt. and the 515 trade group are reported on a different basis than the 1987 Census of Wholesale Trade. For an explanation of these differences see Method of Estimation in appendix A.

**Table 15. Estimated Relative Standard Errors by Major Kind of Business: 1987**

[Coefficient of variation in percent. For meaning of abbreviations and symbols, see introductory text]

1972 SIC code	Kind of business	Capital expenditures (other than land)							Acquisition value of depreciable assets					
									End of 1987			End of 1986		
		Total	New capital expend- itures	New buildings, structures, and related facilities	New highway vehicles	New computer hardware and data processing equipment	All other new capital expend- itures	Used capital expend- itures	Total	Buildings, structures, and related facilities	Machinery, equipment, and other	Total	Buildings, structures, and related facilities	Machinery, equipment, and other
	<b>Merchant wholesalers<sup>1</sup></b> -----	<b>2.6</b>	<b>2.7</b>	<b>4.6</b>	<b>4.2</b>	<b>4.1</b>	<b>4.0</b>	<b>6.5</b>	<b>2.2</b>	<b>2.1</b>	<b>2.7</b>	<b>2.3</b>	<b>2.3</b>	<b>2.7</b>
<b>50</b>	<b>Durable goods<sup>1</sup></b> -----	<b>3.5</b>	<b>3.5</b>	<b>5.8</b>	<b>4.9</b>	<b>5.4</b>	<b>5.8</b>	<b>11.2</b>	<b>2.9</b>	<b>2.9</b>	<b>3.6</b>	<b>3.1</b>	<b>3.0</b>	<b>3.8</b>
501	Motor vehicles and automotive parts and supplies -----	4.5	4.5	3.4	*	16.0	*	16.6	4.5	5.5	5.0	4.7	4.8	5.5
502	Furniture and home furnishings -----	*	*	*	*	*	*	*	12.0	*	*	12.4	*	*
503	Lumber and other construction materials -----	17.0	16.1	*	16.9	16.2	*	*	10.6	*	*	11.1	*	*
504	Sporting, recreational, photographic, and hobby goods, toys and supplies -----	8.1	8.6	13.3	*	17.5	11.2	*	9.5	15.2	13.0	10.1	15.4	13.9
505	Metals and minerals, except petroleum <sup>1</sup> -----	*	*	*	*	*	*	*	6.9	*	*	7.0	8.9	7.6
506	Electrical goods -----	*	*	*	*	*	*	*	*	*	*	*	*	*
507	Hardware, and plumbing and heating equipment and supplies -----	*	*	*	*	*	*	*	11.3	*	*	11.6	*	*
508	Machinery, equipment, and supplies -----	6.5	7.1	17.3	6.4	8.4	14.6	16.7	3.5	5.4	3.5	3.4	5.4	3.5
509	Miscellaneous durable goods -----	*	10.8	*	*	*	*	*	*	*	*	*	*	*
<b>51</b>	<b>Nondurable goods<sup>1</sup></b> -----	<b>4.0</b>	<b>4.2</b>	<b>7.0</b>	<b>6.8</b>	<b>5.0</b>	<b>5.2</b>	<b>7.5</b>	<b>3.2</b>	<b>2.9</b>	<b>*</b>	<b>3.3</b>	<b>3.4</b>	<b>3.7</b>
511	Paper and paper products -----	9.8	10.9	*	*	*	12.4	10.1	6.0	9.5	6.3	5.4	8.9	5.9
512	Drugs, drug proprietaries and druggists' sundries -----	12.4	12.9	16.6	*	*	*	8.2	9.9	10.3	10.8	11.0	10.9	11.9
513	Apparel, piece goods, and notions -----	7.9	7.2	*	*	11.7	*	*	7.4	*	*	7.8	*	*
514	Groceries and related products -----	7.8	9.2	*	16.0	8.8	12.0	*	10.0	4.9	12.7	10.4	8.6	11.7
515	Farm-product raw materials <sup>1</sup> -----	12.0	10.3	*	*	12.0	14.2	*	5.9	7.0	7.1	6.1	7.7	7.1
516	Chemicals and allied products -----	*	*	*	*	*	*	*	7.4	*	*	6.3	*	*
517	Petroleum and petroleum products -----	7.5	7.9	*	16.2	11.3	*	*	5.7	*	*	6.1	*	*
518	Beer, wine and distilled alcoholic beverages -----	*	*	*	*	*	*	*	5.3	7.0	5.5	5.9	6.7	6.6
519	Miscellaneous nondurable goods -----	7.7	7.6	*	*	9.6	*	*	5.8	*	*	6.1	*	*

See footnotes at end of table.



Table 15. Estimated Relative Standard Errors by Major Kind of Business: 1987—Con.

[Coefficient of variation in percent. For meaning of abbreviations and symbols, see introductory text]

1972 SIC code	Kind of business	Deductions from depreci- able assets	Depreciation charges			Operating expenses	Annual payroll	Employer cost for fringe benefits (other than land)			Lease and rental payments		
			Total	Buildings, structures, and related facilities	Machinery, equipment, and other			Total	Legally required	Voluntary programs	Total	Buildings, structures, and related facilities	Machinery, equipment, and other
50	Merchant wholesalers <sup>1</sup> -----	4.3	1.9	3.5	1.9	1.0	1.4	1.4	1.7	1.6	1.9	2.1	2.9
	Durable goods <sup>1</sup> -----	5.1	2.2	4.1	2.2	1.1	1.4	1.4	1.6	1.9	2.2	2.3	3.6
501	Motor vehicles and automotive parts and supplies -----	11.5	4.6	6.2	4.9	2.6	3.9	3.5	4.5	3.1	6.4	7.0	5.9
502	Furniture and home furnishings -----	15.1	12.1	*	*	4.8	5.3	5.9	6.4	8.3	8.0	8.2	11.2
503	Lumber and other construction materials -----	16.8	*	*	*	4.2	4.6	4.7	*	*	8.8	8.6	*
504	Sporting, recreational, photographic, and hobby goods, toys and supplies -----	*	6.5	13.6	6.8	2.5	5.3	5.3	7.2	5.4	*	*	*
505	Metals and minerals, except petroleum <sup>1</sup> -----	*	*	*	*	6.2	6.3	6.8	6.1	8.1	*	*	*
506	Electrical goods -----	*	*	*	*	1.6	2.2	2.7	2.9	3.2	2.4	2.3	5.8
507	Hardware, and plumbing and heating equipment and supplies -----	*	*	*	10.2	4.2	*	4.7	4.4	6.9	4.5	5.7	11.5
508	Machinery, equipment, and supplies -----	8.0	2.9	7.1	2.8	2.0	*	2.6	2.9	3.8	4.3	4.5	6.6
509	Miscellaneous durable goods -----	*	*	*	*	5.4	*	*	*	*	*	*	*
51	Nondurable goods <sup>1</sup> -----	7.8	3.3	5.5	3.4	1.8	2.7	2.6	3.3	2.7	3.4	4.1	4.5
511	Paper and paper products -----	*	9.0	8.4	10.4	4.2	3.8	8.1	8.2	9.2	5.9	5.1	14.6
512	Drugs, drug proprietaries and druggists' sundries -----	9.8	11.8	*	12.3	6.9	*	6.7	6.2	8.2	10.7	13.4	12.3
513	Apparel, piece goods, and notions -----	15.2	*	*	*	2.6	3.1	*	*	*	*	*	*
514	Groceries and related products -----	11.7	7.7	*	8.5	3.7	5.3	4.5	5.8	5.6	5.8	6.1	9.0
515	Farm-product raw materials <sup>1</sup> -----	*	16.0	*	12.6	5.7	6.0	6.7	6.0	8.4	9.3	13.2	7.6
516	Chemicals and allied products -----	*	*	*	*	5.7	7.9	*	*	*	10.3	10.8	13.8
517	Petroleum and petroleum products -----	17.0	5.6	11.1	5.2	5.2	5.2	7.1	7.0	7.6	7.4	8.1	11.7
518	Beer, wine and distilled alcoholic beverages -----	*	5.5	7.3	5.7	1.8	2.7	2.8	3.7	2.7	5.3	6.1	10.3
519	Miscellaneous nondurable goods -----	*	7.3	*	*	*	*	8.4	11.1	6.6	11.5	13.3	11.8
1972 SIC code	Kind of business	Purchased utilities				Purchased office supplies	Purchased packaging and other materials	Advertising services	Commis- sions paid	Contract work	Repair work		
		Total	Cost of electricity	Cost of fuel	Cost of water, sewer, and other utilities						Total	Buildings, structures, and related facilities	Machinery, equipment, and other
50	Merchant wholesalers <sup>1</sup> -----	2.6	1.9	6.1	5.2	1.7	4.3	2.5	8.5	6.5	2.3	3.1	2.7
	Durable goods <sup>1</sup> -----	2.2	1.8	5.2	3.2	1.9	5.3	2.5	8.2	8.5	3.0	3.3	3.9
501	Motor vehicles and automotive parts and supplies -----	3.3	3.6	7.8	5.9	4.8	11.6	*	*	*	5.5	6.0	6.9
502	Furniture and home furnishings -----	5.9	5.6	15.4	11.5	3.3	*	15.8	14.8	*	*	*	*
503	Lumber and other construction materials -----	13.3	10.2	*	*	4.9	*	15.3	*	*	12.3	12.4	14.3
504	Sporting, recreational, photographic, and hobby goods, toys and supplies -----	10.1	10.2	10.9	*	4.5	14.8	*	*	*	11.2	6.4	14.0
505	Metals and minerals, except petroleum <sup>1</sup> -----	*	5.6	5.9	7.6	6.9	*	8.9	11.6	*	5.7	12.0	6.8
506	Electrical goods -----	2.5	2.3	8.2	5.9	2.2	7.4	2.3	9.9	8.5	3.7	6.8	5.0
507	Hardware, and plumbing and heating equipment and supplies -----	6.7	5.4	15.6	12.4	7.1	*	*	*	*	8.5	10.0	11.1
508	Machinery, equipment, and supplies -----	3.1	3.5	5.2	6.2	3.8	6.9	8.1	*	16.0	5.6	7.1	7.5
509	Miscellaneous durable goods -----	*	*	*	*	13.0	*	*	*	17.4	14.4	15.5	15.5
51	Nondurable goods <sup>1</sup> -----	4.6	3.2	10.3	9.4	3.2	6.8	6.1	15.2	10.2	3.4	5.3	3.7
511	Paper and paper products -----	6.7	9.7	8.6	9.8	5.4	16.8	11.8	*	*	6.1	11.7	6.3
512	Drugs, drug proprietaries and druggists' sundries -----	8.0	7.3	13.2	10.3	6.8	*	8.5	*	*	9.9	13.8	8.8
513	Apparel, piece goods, and notions -----	*	*	*	*	*	*	*	*	*	*	*	*
514	Groceries and related products -----	11.3	7.0	*	*	5.4	*	16.9	*	*	7.5	14.4	7.8
515	Farm-product raw materials <sup>1</sup> -----	9.8	9.2	*	4.8	7.4	10.6	9.0	10.0	9.8	6.5	6.0	9.3
516	Chemicals and allied products -----	5.6	*	*	*	9.4	*	17.4	*	*	*	*	*
517	Petroleum and petroleum products -----	7.4	8.1	7.3	11.1	8.8	*	*	*	16.5	8.8	13.9	9.0
518	Beer, wine and distilled alcoholic beverages -----	4.7	4.3	16.5	6.8	3.4	*	6.3	*	14.5	6.6	6.3	7.6
519	Miscellaneous nondurable goods -----	*	6.3	14.4	15.2	9.4	13.5	16.2	*	*	8.8	11.0	9.6
1972 SIC code	Kind of business	Telephone and other communi- cation services	Inventories		Purchases of merchandise for resale	Cost of goods sold	Gross margin	Value added	Net income produced at market prices	Net income produced at factor cost			
			Other expenses	1987							1986		
50	Merchant wholesalers <sup>1</sup> -----	1.6	1.7	1.5	1.5	.5	.5	1.5	1.5	2.0	2.2		
	Durable goods <sup>1</sup> -----	1.7	2.1	1.9	2.0	.4	.5	1.5	1.6	2.0	2.2		
501	Motor vehicles and automotive parts and supplies -----	4.6	4.9	4.0	4.0	.8	1.0	4.7	4.8	6.1	6.5		
502	Furniture and home furnishings -----	3.1	8.1	10.0	12.1	2.0	2.8	7.0	7.0	8.8	9.1		
503	Lumber and other construction materials -----	*	*	7.2	7.3	3.0	3.0	8.2	*	*	11.3		
504	Sporting, recreational, photographic, and hobby goods, toys and supplies -----	9.1	3.6	4.7	5.0	1.7	1.6	3.9	4.2	7.2	7.6		
505	Metals and minerals, except petroleum <sup>1</sup> -----	5.8	*	6.7	6.6	1.1	1.2	*	*	5.0	5.1		
506	Electrical goods -----	1.9	*	3.0	3.3	1.1	1.1	3.2	3.3	*	4.6		
507	Hardware, and plumbing and heating equipment and supplies -----	5.3	6.8	5.6	4.4	1.2	1.2	3.4	*	*	4.3		
508	Machinery, equipment, and supplies -----	3.5	*	3.9	4.0	.9	1.0	2.4	2.4	2.9	3.3		
509	Miscellaneous durable goods -----	*	*	10.7	9.6	1.1	1.3	6.9	7.2	9.6	*		
51	Nondurable goods <sup>1</sup> -----	3.5	2.8	2.1	2.3	.9	.9	2.8	2.8	3.8	4.3		
511	Paper and paper products -----	6.7	5.9	3.4	3.5	1.0	1.0	3.4	3.4	3.8	3.8		
512	Drugs, drug proprietaries and druggists' sundries -----	*	12.9	4.0	2.7	1.0	1.4	8.2	8.3	10.8	*		
513	Apparel, piece goods, and notions -----	*	*	4.6	4.9	1.7	1.9	4.5	4.6	6.3	6.6		
514	Groceries and related products -----	4.5	*	4.0	4.1	1.1	1.1	6.2	6.3	8.0	8.7		
515	Farm-product raw materials <sup>1</sup> -----	6.2	5.9	5.7	10.0	5.3	5.3	*	*	*	*		
516	Chemicals and allied products -----	9.1	*	10.4	15.1	2.5	2.3	7.3	7.5	10.5	11.7		
517	Petroleum and petroleum products -----	*	9.5	7.0	6.5	.5	.5	4.9	5.0	5.5	6.1		
518	Beer, wine and distilled alcoholic beverages -----	6.4	5.1	5.6	6.0	.6	.7	*	*	3.2	4.0		
519	Miscellaneous nondurable goods -----	*	*	5.1	5.7	1.3	1.4	*	*	6.1	*		

Note: This table excludes estimated measures of sampling variability (coefficients of variation) for percentages shown in other tables. For an explanation of these measures see Limitations of the Data in appendix A.





# APPENDIX A.

## General Explanation

### SAMPLE DESIGN

The 1987 Assets and Expenditures Survey sample consists of all sampling units tabulated in the production of monthly estimates of wholesale sales published in the Current Business Report Series BW, Monthly Wholesale Trade, for November and December 1987 and January 1988. The sampling procedures as it was carried out for the 1987 Annual Trade Survey is described below.

The annual sample consists of a fixed panel of large businesses, most of which were selected with certainty (i.e., probability of selection = 1.0), and three rotating panels of smaller businesses. In the monthly survey, only one rotating panel plus the fixed panel are canvassed in any given month. In the Annual Trade Survey, the fixed panel and two of the three rotating panels are used.

The sample originally was drawn from the Standard Statistical Establishment List (SSEL) as updated to December 31, 1984. The initial SSEL consisted of two lists. One list was composed of all Employer Identification (EI) numbers issued by the Internal Revenue Service (IRS) with reported payroll in a least one quarter of 1984. The second list consisted of all establishments of known multiestablishment companies as of December 31, 1984. These lists contained information on sales, payroll, employment, name and address, kind-of-business classification, etc.

Before the availability of the 1984 SSEL, a study of the universe of wholesale businesses was carried out using files from the 1982 Census of Wholesale Trade. This study determined the stratification of the sampling units based on 1982 sales, inventories, and major kind of business. The optimal allocation of the sample necessary to meet specified sampling variability for sales and inventory estimates for different kind-of-business groups was also determined. The primary stratum boundary decided in the study was the certainty cutoff to be used for each kind of business. The cutoff was particularly important since it also decided the type of sampling unit.

Sampling units consisted of both companies and EI numbers. To be eligible for the initial sampling, an EI had to be active, i.e., had payroll in 1984 and was on the latest available IRS mailing list for Federal Insurance Contributions Act (FICA) taxpayers. If a known company had total merchant wholesale sales or inventory (on a 1982 basis) above the corresponding cutoff for its major kind of business, the company was selected into the sample with certainty. The company, which could consist of many EI's, was then the sampling unit; therefore, any new establishments that the company might acquire, even if under new or different EI numbers, were in the sample with certainty.

Single establishment companies, whether or not selected with certainty, were considered as EI sampling units.

All merchant wholesale companies that were not selected with certainty were treated on an EI basis; that is, the EI number was the sampling unit. The EI numbers were then stratified according to their major kind of business and their estimated sales (on a 1982 basis). Within each stratum, a simple random sample of EI numbers was selected. The sampling rates for these EI numbers varied between 1 in 3 and 1 in 825. Three such samples of EI numbers, called panels, were drawn. Since two panels were canvassed in the Annual Trade Survey, the sampling rates varied between 1 in 1.5 and 1 in 412.5.

For all EI "births" after the initial selection, a two-phase selection procedure was used. EI "births," as used here, are new EI numbers recently assigned by the Internal Revenue Service (IRS) on the latest available IRS mailing list for FICA taxpayers, and assigned a kind-of-business classification (if possible) by the Social Security Administration (SSA). In the first phase, "births" were stratified by kind of business and size (expected employment or quarterly payroll). A relatively large sample was drawn and canvassed for a more reliable measure of size (sales in 2 recent months) and a more detailed kind-of-business code, if needed.

Using this more reliable information, the cases selected in the first phase are subjected to probability proportional-to-size sampling with overall probabilities equivalent to those used in drawing the initial sample from the 1984 SSEL. Because of the lag in reporting "births" to the IRS and the SSA and the time needed to accomplish the two-phase birth-selection procedure carried out quarterly, "births" were actually added to the sample about 12 to 18 months after they began operation.

### METHOD OF ESTIMATION

Most data on sales presented in this report are reproduced from the U.S. Summary report of the 1987 Census of Wholesale Trade. All other data items are statistical estimates which were developed from summation of weighted information from the sampling units. The weights are the inverse of the probability of selection (or sampling rate) of sampling units in the survey. Each weighted estimate was multiplied by a ratio of sales reported in the 1987 Census of Wholesale Trade to sales reported in the Annual Trade Survey except the farm product-raw materials group.

In the 1987 Census of Wholesale Trade, establishments classified in the farm product-raw materials group (SIC 515) included as sales, products purchased and transferred to other company establishments. In the monthly



and annual surveys, intracompany transfers are not included in sales. Because of these differences, sales for this SIC are obtained from the Annual Trade Survey with no adjustment applied.

For SIC 505, the monthly and annual trade surveys included merchant wholesalers as well as sales branches of ferrous metals service centers with inventories. Therefore, the 1987 census sales estimates used in this report included the receipts of merchant wholesalers and sales branches of ferrous metals service centers with inventories.

Estimates at aggregate kind-of-business levels were obtained by summing estimates computed at detail levels.

## LIMITATIONS OF THE DATA

Because the estimates were based on a sample, exact agreement with the results that would be obtained from a complete census of wholesale stores using the same enumeration procedure should not be expected.

However, because every merchant wholesale operation in the United States had a chance of being selected for the sample, and because the probability of selection for each unit in the sample was known, it was possible to estimate the sampling variability of the estimates made from the sample.

The sampling error, or standard error of the estimate, is a measure of variability among the estimates from all possible samples of the same size and design and, thus, is a measure of the precision with which an estimate from a particular sample approximates the results of a complete enumeration. The coefficient of variation (expressed as a percent) is the standard error of the estimate times 100 percent divided by the value being estimated. Note that measures of sampling variability, such as the standard error and the coefficient of variation, are estimates derived from the sample and are also subject to sampling variability.

The coefficients of variation permit certain confidence statements about the sample estimates. The particular sample used in this survey was one of a large number of samples of the same size that could have been selected using the same design. In about two out of three of these samples, the estimate would differ from a complete enumeration by less than the corresponding percentage for that estimate shown in the sampling variability columns. In about 9 out of 10 samples, the estimates would differ from the results of a complete enumeration by less than 1.65 times the percentages shown. To illustrate the computations involved in the above confidence statements as related to dollar volume sales estimates, assume that an estimate of sales is \$10,750 million and that the coefficient of variation for this estimate is 1.8 percent, or 0.018. First obtain the standard error of the estimate by multiplying the estimate by the coefficient of variation. In this example, \$10,750 million times 0.018 equals a standard error of \$194 million. The upper bound of the 67-percent confidence interval for this example is \$10,556 million to

\$10,944 million (i.e., \$10,750 million plus or minus \$194 million). Bounds for a 90-percent confidence interval are computed by adding or subtracting 1.65 times the standard error from the estimate; consequently, the 90-percent confidence interval ranges from \$10,430 million to \$11,070 million. If corresponding 67-percent confidence intervals were constructed for all possible samples of the same size and design, approximately 2 out of 3 (67 percent) intervals would contain the value obtained from a complete enumeration. Similarly, for 90-percent confidence intervals, 9 out of 10 of all possible intervals would contain the value obtained in a complete enumeration.

Although coefficients of variation have not been calculated for the percent estimates shown in this report, they will be less than:

$$\sqrt{CV^2 (\text{VALUE IN DENOMINATOR}) + CV^2 (\text{VALUE IN NUMERATOR})}$$

Coefficients of variation for all other published estimates are presented in table 15.

## RESPONSE AND OTHER NONSAMPLING ERRORS

The coefficients of variation shown in this report do not measure biases which might arise from nonsampling errors such as the failure of respondents to submit correct figures on time for tabulation. Nonsampling errors can be attributed to many sources: inability to obtain information about all cases in the sample; response errors; definition difficulties; differences in the interpretation of questions; mistakes in recording or coding the data obtained; and other errors of collection, response, coverage, and estimation for missing data. These nonsampling errors also occur in complete censuses. Information is not available on the extent of bias that may be due to reporting errors. To minimize nonsampling biases, all reports were reviewed for completeness and consistency. Various ratios were calculated from the data of each report (e.g., employer contributions for plans required by law to total annual payroll).

All extreme and unusual ratios were verified or corrected where necessary. Some firms did not report prior to the closeout of this survey. Data were therefore imputed for these firms based on other available records for like firms in the same kind of business. Imputation amounted to about 21 percent for capital expenditures, 23 percent for depreciable assets, and 23 percent for operating expenses.

## COMPARABILITY OF THE 1982 AND 1987 SURVEYS

The 1982 and 1987 surveys were conducted under similar conditions and procedures except for the following:

The 1982 reports for retail trade, wholesale trade, and service industries all presented data limited to employer business establishments. However, a limited amount of data on nonemployer establishments was



collected in the 1987 survey for retail and service, but is available only on an unpublished basis (see Introduction). It should be noted, however, that in the 1982 Census of Retail Trade, nonemployers accounted for only 2.5 percent of total sales and in 1987 they contributed only 3.0 percent. In the 1987 Census of Service Industries, nonemployers contributed 11.1 percent of total receipts.

## COMPARISONS WITH OTHER DATA

Data on sales presented in this report reflect those presented in other reports from the 1987 Census of Wholesale Trade. All other statistics shown are estimates developed from the sample of merchant wholesalers participating in the 1987 Annual Trade Survey. These items are comparable, in whole or in part, to statistics developed from other sources; notably the 1987 Census of Wholesale Trade, the national income and product accounts (NIPA) tables published in the *Survey of Current Business*, and *Statistics of Income* published by the Internal Revenue Service. Estimates from these varying sources may differ for reasons of sampling variability and methodology. Broad descriptions of the differences in concept or methodology which should be observed when comparing other data series to those from this report follow.

**Statistics of Income From Internal Revenue Service (IRS)**—These annual publications and quarterly bulletins of the Internal Revenue Service provide information on business receipts, cost of goods sold, selected expense items, and depreciable assets compiled from the Federal income tax returns. However, the data are not in sufficient detail to provide income-produced measures comparable with those published in this report. The cost of goods sold in *Statistics of Income* includes costs of materials used in manufacturing; costs of goods purchased for resale; direct labor; and certain overhead expenses, such as rent, utilities, supplies, maintenance, and repairs. Cost of goods sold in the assets and expenditures survey excludes salaries and wages paid to the company's employees, cost of packaging materials, and office and other supplies.

The *Statistics of Income* data for wholesale trade include all types of wholesalers, whereas this report covers only merchant wholesalers. Moreover, the company or subcompany level of reporting on income tax returns may not be the same as used for reporting in the assets and expenditures survey. For example, manufacturing and other establishments operated by firms which are primarily merchant wholesalers may be included in the IRS data. Merchant wholesale establishments operated by firms primarily engaged in other industries are not represented in the IRS statistics for wholesale trade.

**National Income and Products Accounts From the Bureau of Economic Analysis (BEA)**—As part of the national income and product accounts, the Bureau of

Economic Analysis (BEA) prepares estimates of value-added (also known as gross product originating or GPO) by industry. GPO can be defined equivalently either as industry gross output (sales plus change in business inventories) less consumption of materials and services purchased from other industries, or as the sum of the industry's factor payments (e.g., wages, interest, profits, etc.) and nonfactor costs (e.g., depreciation). The latter definition is the basis for the estimates for industry GPO prepared by BEA. These estimates are published annually in table 6.1 of the National Income and Product Account tables that appear in the July issue of the *Survey of Current Business*.

The BEA GPO measure for wholesale trade relates conceptually to the value produced and operating expenses measures contained in this report in the following manner: GPO equals this report's value-added less lease and rental payments, cost of communication, advertising and repair services, commissions to other firms, and subsidies included in sales. GPO also equals this report's net income produced at market prices plus cost of uninsured casualty losses and bad debts losses less subsidies included in sales.

In addition, unlike this report, the corresponding BEA GPO series includes not only merchant wholesalers but also agents, brokers, and manufacturers sales offices and branches. Also, the factor payments and nonfactor costs that are summed to estimate industry GPO are obtained from a variety of data sources, including the Bureau of Labor Statistics, the Internal Revenue Service, and the Bureau of the Census. A past *Survey* article provides a description of the sources and methods used for the GPO estimates.<sup>1</sup>

## EXPLANATION OF TERMS

**Sales**—This item includes: merchandise sold for cash or credit; receipts from customers for freight, installation, maintenance, repair, alteration, storage, and other services; excise taxes which are levied on the manufacturers and included in the cost of goods purchased by wholesalers; subsidy payments received for the sale of goods; gross value of sales made on a commission basis; and sales of goods which are shipped on a wholesaler's orders directly to customers. Sales are net after deductions for discounts and refunds and allowances for merchandise returned by customers.

Sales excludes sales and excise taxes collected directly from customers and paid directly to a local, State or Federal tax agency. Also excluded are receipts from customers for carrying or other credit charges, and nonoperating income from such sources as investments and rental or sale of real estate. However, a portion of the data reported for capital expenditures, value of assets, depreciation and other operating expenses may pertain to real

<sup>1</sup>Gross Product by Industry, 1986. *The Survey of Current Business*, April 1987.



estate owned by the business and leased to others, even though corresponding data on sales exclude real estate lease receipts.

Most data on sales presented in this report are reproduced from the U.S. Summary report of the 1987 Census of Wholesale Trade. Preliminary estimates of all data items in this report other than sales were multiplied by a ratio of sales compiled in the 1987 Census of Wholesale Trade to sales compiled in the 1987 Annual Trade Survey. See Method of Estimation in appendix A for further explanation.

**Purchases**—Purchases represent the total cost, after deduction of returns, allowances, and discounts, of merchandise which was acquired in 1987 for resale, whether or not payment for the merchandise was made during the year. Purchases data include cash and credit purchases made at central offices and company warehouses, but exclude deliveries from central offices or warehouses, to the merchant wholesaler. Also included are: the cost of goods in transit where title has passed to the purchaser; amounts allowed for trade-ins; freight, delivery, and other transportation costs; and import duties (if paid separately).

Companies engaged in both manufacturing and wholesale operations were asked to report purchases at the cost value of intercompany transfers from their plants or warehouses to their wholesale locations. These companies were also requested to report the cost of outside purchases.

Purchases exclude: expenditures for containers, wrapping, packaging, and other supplies or equipment intended for company use rather than for resale; the cost of raw materials or parts purchased for manufacture into a finished product; and goods included in the purchase price of a business. Also excluded are liquor and tobacco tax stamps, which would be included under operating expenses.

Data presented in this report on purchases were collected in the 1987 Annual Trade Survey.

**Inventories**—Inventories represent stocks of merchandise owned by merchant wholesalers on December 31st and available for sale in the United States. A small amount of inventories are reported at market value while most are reported on a cost basis. Goods held for consignment and items not for sale such as fixtures, equipment and supplies are not included. Inventories were reported as of the close of the calendar year, except for some businesses which used a fiscal year for accounting purposes and were adjusted to a calendar year basis. All inventory data presented in this report were collected in the 1987 Annual Trade Survey.

## Measures of Value Produced

1. Cost of goods sold—This item was calculated for each firm in the survey by adding all purchase of merchandise (net of returns, allowances, and discounts but including charges from freight, insurance, etc.) during the year to the beginning-of-year

inventory, then deducting the end-of-year inventory from the total. Firms were instructed to exclude the cost of packaging, processing, shipping, and selling of goods from the cost of purchases but to report these items under "operating expenses." Purchase of tax stamps and payments of excise taxes often included by tobacco and liquor wholesalers in their purchases were, for this survey, excluded from cost of goods sold and included under "operating expenses."

2. Gross margin—This item represents sales less cost of goods sold. Gross margin is equivalent to the cost of all materials (as distinguished from goods to be resold) and services provided in merchant wholesale establishments whether provided by the merchant wholesaling firm itself or purchased by it from others. To the extent that it includes cost of contract work done by others on materials of the merchant wholesale firms, gross margin includes an element of value added by manufacturing.
3. Value added—Value added is the gross margin (as defined above) less the cost of supplies, materials, fuel and other energy, and the cost of contract work on materials of the wholesaler.
4. Net income produced at market prices—This item represents value added less lease and rental payments; cost of communication, advertising, and repair services; commissions to other firms; and amounts set aside for bad debt losses and other losses not compensated by insurance.
5. Net income produced at factor cost—This item represents net income produced at market prices less depreciation, license fees, and taxes other than income taxes. It includes payroll, employer contributions to the Federal Insurance Contributions Act (FICA), and unemployment insurance.

**Operating expenses**—The types of operating expenses requested on the report form are:

1. Annual payroll—Payroll includes all salaries, wages, commissions, bonuses, and allowances for vacation, holiday, and sick leave paid to employees in 1987 before payroll deductions. For corporations, it includes amounts paid to officers and executives; for unincorporated businesses, it does not include payments to or withdrawals from profits by owners or partners. (This figure does not include employer contributions to plans required by law and other plans besides vacation, holiday, and sick leave.)
2. Employer costs for programs required by law—This item includes all programs required under Federal and State legislation such as FICA, unemployment tax, workers' compensation, and State disability payments.



3. Employer costs for other fringe benefits—This item includes programs not specifically required by Federal or State legislation, such as life and health insurance premiums for employees.
4. Depreciation charges—This item includes depreciation and amortization charges against depreciable assets owned during 1987. Amounts representing tax-exempt organizations, if not reported, were estimated even though depreciation accounts may not be maintained.
5. Taxes—Includes all taxes and license fees paid during 1987 (excluding income and payroll taxes). It includes tobacco and liquor tax stamps, fines, and property taxes. It excludes direct payments to government tax agencies for sales and other taxes collected directly from customers.
6. Lease and rental payments—These are payments for lease or rental of buildings, machinery and equipment. Payments for machinery and equipment include use of production machinery, office equipment, computer systems, passenger cars, trucks, materials handling equipment, and all other types of machinery and equipment.
7. Cost of office supplies, stationery, and postage.
8. Cost of purchased communication services—This item includes cost of telephone, data transmission, telegraph, telex, teletype and all other communication services purchased in 1987.
9. Cost of purchased electricity—Some businesses included this expense as part of building/office lease payments.
10. Cost of purchased fuels—This includes fuels for heating, power, or generation of electricity, also sometimes included in lease payments.
11. Cost of other utilities—This includes all utilities except purchased fuels and electricity, also sometimes included in lease payments.
12. Cost of materials—This includes purchases of containers, wrapping, packing and selling supplies used in packaging, processing, shipping, and selling of goods. Some businesses, due to recordkeeping, may have included some of these costs as part of merchandise purchases.
13. Cost of contract work done for wholesalers by other firms.
14. Commissions paid to other firms.
15. Cost of purchased repair services—This item includes the total amount paid for noncapitalized repairs to buildings, structures, machinery, and equipment such as motor vehicles and office space. It excludes cost of repairs to leased buildings and equipment covered by regular lease payments.

16. All other operating expenses—This includes inventory storage and shipping costs, insurance expense (nonemployee), uninsured casualty losses, and bad debt losses. It excludes interest on loans and sales and excise taxes.

**Capital expenditures**—Capital expenditures refer to all costs actually incurred in 1987 which were chargeable to the depreciable assets accounts of a firm. These costs are of the type for which depreciation or amortization accounts are ordinarily maintained.

All items obtained through a capital lease on or after January 1, 1987, are included. Excluded are capital expenditures made by a firm for property which it leased to others as part of a capital lease arrangement.

Included are expenditures for new and used structures (including those under construction at the end of 1987), fixtures and equipment, additions, major alterations and improvements to existing facilities, and capitalized repairs.

Also included are expenditures made by a firm for structures which, on completion, were or are to be sold or leased back to that firm. (The value of trade-ins are not deducted.)

Excluded are expenditures for land; items chargeable as current operating expenses such as cost of maintenance, repairs, supplies, etc.; expenditures for locations primarily engaged in activities other than merchant wholesale; and expenditures for goodwill, patents, or copyrights. Also excluded are capital expenditures (except capital leases) made by owners of property rented or leased to the surveyed firms, but included are capital expenditures made to property leased from others (leasehold improvements).

Cost of assets acquired during 1987 by tax-exempt organizations, if not reported, were estimated even though depreciation accounts may not be maintained.

**Gross value of depreciable assets**—This amount is the acquisition value (original cost) of all assets for which depreciation and amortization accounts are ordinarily maintained. Included are all improvements and new construction "in progress" but not completed at the end of 1987 and the gross value of machinery and equipment owned by retail firms but leased or rented to other firms except under capital lease arrangements. Excluded are land and depletable assets (timber, mineral rights, etc.), nondepreciated assets (cash, inventories, etc.), and all intangible assets such as goodwill, patents, or copyrights.

Cost of assets acquired by tax-exempt organizations, if not reported, were estimated even though depreciation accounts may not be maintained.

**Deductions from depreciable assets**—This amount represents the value of depreciable assets sold, retired, scrapped, or destroyed during 1987, and other adjustments (except depreciation).

**Legal form of organization**—The legal form of organization for firms in this survey was based on the response



to the organizational status inquiry on other economic census or survey forms as well as administrative records of other Federal agencies.

**Auxiliary establishments**—In consideration of record-keeping practices and for consistency with the related sales data collected for 1987 in the annual business surveys, each company in this survey was asked to include those auxiliary locations whose primary functions were to manage, administer, service, or support the activities of the main establishments covered by the report. Data presented in other reports from the 1987 Census of Wholesale Trade exclude such auxiliaries. Capital expenditures and other data for auxiliaries alone are presented in a report issued as part of the 1987 Enterprise Statistics reports.

## KIND-OF-BUSINESS CLASSIFICATIONS

Wholesale trade, major groups 50 and 51 in the 1972 Standard Industrial Classification (SIC) Manual, includes establishments primarily engaged in selling merchandise to retailers; to industrial, commercial, institutional, farm, or professional business users; or to other wholesalers; or acting as agents or brokers in buying merchandise for or selling merchandise to such persons or companies.

The principal types of establishments included are:

1. Merchant wholesalers who take title to the goods they sell, such as wholesale merchants or jobbers, industrial distributors, voluntary group wholesalers, drop shippers, retailer cooperative warehouses, terminal elevators, and cooperative buying associations.
2. Manufacturers' sales branches and sales offices (but not retail stores) maintained by manufacturing or mining enterprises apart from their plants or mines for the purpose of marketing their products.
3. Agents, brokers, and commission merchants who buy or sell products owned by others on a commission or agency basis.

This survey is limited to merchant wholesalers (described under category 1 above), which constitute the major portion of wholesale trade. All kinds of business in which merchant wholesalers operate are represented in this survey. Also included are Ferrous metals service centers (SIC 5051 pt.) which are sales branches with warehouse space greater than 5,000 square feet.

Establishments primarily engaged in the wholesale distribution of used products are classified on the basis of the product sold.

Establishments primarily engaged in selling merchandise to contractors are included in wholesale trade, with the exception of lumber yards and paint, glass, and

wallpaper stores. These exceptions are classified in retail trade if they sell to the general public, even if a higher proportion of their sales is made to contractors.

Establishments covered by the census were assigned a kind-of-business classification according to the industry classifications defined in the 1972 SIC Manual.

Kind-of-business classifications are not interchangeable with commodity classifications, because most businesses sell several kinds of commodities. The kind-of-business code assigned generally reflects either the individual commodity or the commodity group which is the primary source of the establishment's receipts, or some mixture of commodities which characterizes the establishment's business. Thus, the classification of establishments by kind of business generally does not make it possible to determine either the number of establishments handling a particular commodity or the sales of that commodity. For example, the groceries and related products classification excludes establishments selling food if the sale of food is not the primary source of receipts; moreover, even though establishments are classified as groceries and related products, some of their receipts may be derived from the sale of nonfood products. Information on the extent to which commodities are handled by different kinds of business is available in the 1987 Census of Wholesale Trade report, Commodity Line Sales (WC87-S-3).

Descriptions of the wholesale trade kind-of-business classifications based on the 1972 SIC follow. Although data for detailed classifications are not shown separately in the tables, they are included in data totals.

### Durable Goods (SIC Major Group 50)

This major group includes establishments primarily engaged in the wholesale distribution of durable goods.

#### Motor vehicles and automotive parts and supplies (SIC 501)

**Automobiles and other motor vehicles (SIC 5012)**—Establishments primarily engaged in the wholesale distribution of new and used passenger automobiles, trucks, and other motor vehicles. Automobile distributors primarily engaged in selling at retail to individual consumers for personal use, and also selling a limited amount of new and used passenger automobiles and trucks at wholesale to dealers, are classified in SIC 5511.

**Automotive parts and supplies (SIC 5013)**—Establishments primarily engaged in the wholesale distribution of automotive parts, supplies, accessories, tools, and equipment.

**Tires and tubes (SIC 5014)**—Establishments primarily engaged in the wholesale distribution of rubber tires and tubes for passenger and commercial vehicles.



**Furniture and home furnishings (SIC 502)**

**Furniture (SIC 5021)**—Establishments primarily engaged in the wholesale distribution of furniture, including bed-springs, mattresses, and other household furniture; office furniture; and furniture for public parks, buildings, etc.

**Home furnishings (SIC 5023)**—Establishments primarily engaged in the wholesale distribution of home furnishings and homewares, including antiques, china, glassware, and earthenware; lamps, curtains, and draperies; linens and towels; and carpets, linoleum, and all other types of hard and soft surface floor coverings. Establishments primarily engaged in the wholesale distribution of electrical household goods are classified in SIC 5064.

**Lumber and other construction materials (SIC 503)**

**Lumber, plywood and millwork (SIC 5031)**—Establishments, with or without yards, primarily engaged in the wholesale distribution of rough, dressed, and finished lumber (but not timber); plywood; door and window frames (wood or metal); and other wood and metal millwork. Establishments selling lumber, plywood, and millwork to the general public and known as “retail” in the trade are classified in SIC 5211.

**Construction materials, n.e.c. (SIC 5039)**—Establishments primarily engaged in the wholesale distribution of such building materials as brick, building stone, cement, granite, gravel, lime, marble, plaster, building glass, roofing materials, sand, and tile. Establishments selling construction materials to the general public and known as retail in the trade are classified in SIC 5211. Establishments primarily selling ready-mix concrete are classified in manufacturing SIC 3273.

**Sporting, recreational, photographic, and hobby goods, toys and supplies (SIC 504)**

**Sporting and recreational goods and supplies (SIC 5041)**—Establishments primarily engaged in the wholesale distribution of all types of sporting goods and accessories, billiard and pool supplies; firearms and ammunition; and marine pleasure craft, equipment, and supplies.

**Toys and hobby goods and supplies (SIC 5042)**—Establishments primarily engaged in the wholesale distribution of games, toys, and hobby goods and supplies.

**Photographic equipment and supplies (SIC 5043)**—Establishments primarily engaged in the wholesale distribution of photographic equipment and supplies. Establishments primarily engaged in the wholesale distribution of photocopy equipment are classified in SIC 5081.

**Metals and minerals, except petroleum (SIC 505)**

**Metals service centers and offices (SIC 5051)**—Establishments primarily engaged in marketing ferrous and nonferrous metal semi-finished products. Establishments in this industry may operate with inventories (metals service centers) or without inventories (metals sales offices). Data shown in the report include manufacturers’ sales branches for SIC 5051 pt., Ferrous metals service centers.

**Coal and other minerals and ores (SIC 5052)**—Establishments primarily engaged in the wholesale distribution of coal and coke; copper, iron, lead, and other metallic ores except precious; and crude nonmetallic minerals (including concentrates) except crude petroleum. Establishments primarily engaged in the wholesale distribution of nonmetallic minerals used in construction, such as sand and gravel, are classified in SIC 5039.

**Electrical goods (SIC 506)**

This group includes establishments primarily engaged in the wholesale distribution of electrical generating, distributing, and wiring equipment. It also includes household appliances whether electrically, manually, or mechanically powered, such as washing machines powered by gasoline motors and sewing machines powered manually. This group does not include electrical commercial and industrial machines, i.e., those in which electricity does the work directly, such as by heating, turning a shaft, or ionizing a substance, or electrically powered commercial and industrial machines, which are classified in SIC 508.

**Electrical apparatus and equipment (SIC 5063)**—Establishments primarily engaged in the wholesale distribution of electrical power equipment for the generation, transmission, or utilization of electric energy; and electrical construction materials for outside power transmission lines and for electrical systems. Construction contractors primarily engaged in installing electrical systems and equipment form their own stock are classified in SIC 1731.

**Electrical appliances, television and radio sets (SIC 5064)**—Establishments primarily engaged in the wholesale distribution of radio and television sets and household electrical appliances.

**Electronic parts and equipment (SIC 5065)**—Establishments primarily engaged in the wholesale distribution of electronic parts and equipment parts and equipment, such as industrial and radio and television receiving and transmitting electronic tubes; electronic intercommunication equipment; radio parts and accessories; and electronic sound equipment. Establishments primarily engaged in the wholesale distribution of radio and television receiving sets and phonographs are classified in SIC 5064.



## **Hardware, and plumbing and heating equipment and supplies (SIC 507)**

**Hardware (SIC 5072)**—Establishments primarily engaged in the wholesale distribution of hardware, such as builders; shelf or light hardware; hand tools (except automotive and machinists' precision); hand saws and cutlery; brads, staples, and tacks; and bolts, nuts, rivets, and screws. Establishments primarily engaged in the wholesale distribution of nails, noninsulated wire, and screening are classified in SIC 5051.

**Plumbing and heating equipment and supplies (hydronics) (SIC 5074)**—Establishments primarily engaged in the wholesale distribution of hydronic plumbing and heating equipment and supplies. Construction contractors primarily engaged in installing plumbing and heating equipment from their own stock are classified in SIC 1711.

**Warm air heating and air conditioning equipment and supplies (SIC 5075)**—Establishments primarily engaged in the distribution of warm air heating and air conditioning equipment and supplies. Construction contractors primarily engaged in installing plumbing and heating equipment from their own stock are classified in SIC 1711.

**Refrigeration equipment and supplies (SIC 5078)**—Establishments primarily engaged in the distribution of refrigeration equipment and supplies. Construction contractors primarily engaged in installing refrigeration equipment from their own stock are classified in SIC 1711.

## **Machinery, equipment, and supplies (SIC 508)**

**Commercial machines and equipment (SIC 5081)**—Establishments primarily engaged in wholesaling commercial machines and equipment, such as office, store, and business machines and equipment; commercial food service equipment; and fountain and store fixtures.

**Construction and mining machinery and equipment (SIC 5082)**—Establishments primarily engaged in marketing cranes, excavating machinery and equipment, power shovels, road construction and maintenance machinery, tractor-mounted equipment, and other specialized machinery and equipment used in the construction, mining, and logging industries. Establishments engaged in marketing oil machinery and equipment are classified in SIC 5084.

**Farm and garden machinery and equipment (SIC 5083)**—Establishments primarily engaged in marketing agricultural machinery and equipment for use in preparation and maintenance of the soil, planting and harvesting of crops, and other operations and processes pertaining to work on the farm or the lawn or garden; and dairy and other livestock equipment.

**Industrial machinery and equipment (SIC 5084)**—Establishments primarily engaged in marketing industrial machinery and equipment, such as metalworking tools, food industries machinery, oil well and oil refining machinery, industrial trucks and tractors (except over-the-road types), printing machinery, and machinery and equipment for other manufacturing industries.

**Industrial supplies (SIC 5085)**—Establishments primarily engaged in marketing industrial supplies, such as abrasives and abrasive materials, rope and cordage, and mechanical rubber goods; welding supplies; mechanical power transmission supplies, including bearings; industrial valves and fittings; metal containers; industrial leather; and reconditioned barrels and drums.

**Professional equipment and supplies (SIC 5086)**—Establishments primarily engaged in the wholesale distribution of mechanical devices and other equipment used by architects, dentists, engineers, physicians, surgeons, veterinarians, optometrists, osteopaths, and other professional groups.

**Service establishment equipment and supplies (SIC 5087)**—Establishments primarily engaged in the wholesale distribution of equipment and supplies for barber shops, beauty parlors, power laundries, dry-cleaning plants, upholsterers, and related personal service establishments.

**Transportation equipment and supplies, except motor vehicles (SIC 5088)**—Establishments primarily engaged in the wholesale distribution of transportation equipment and supplies. Establishments primarily engaged in the wholesale distribution of motor vehicles and motor parts are classified in SIC 501.

## **Miscellaneous durable goods (SIC 509)**

**Scrap and waste materials (SIC 5093)**—Establishments primarily engaged in assembling, breaking up, sorting, and wholesale distribution of scrap and waste materials. This industry includes auto wreckers engaged in dismantling automobiles for scrap. However, those engaged in dismantling cars for the purpose of selling secondhand parts at retail are classified in SIC 5931.

**Jewelry, watches, diamonds and other precious stones (SIC 5094)**—Establishments primarily engaged in the wholesale distribution of jewelry, precious stones and metal, costume jewelry, watches, clocks, silverware, and jewelers' findings.

**Durable goods, n.e.c. (SIC 5099)**—Establishments primarily engaged in the wholesale distribution of durable goods, not elsewhere classified, such as musical instruments and forest products, except lumber.



## **Nondurable Goods (SIC Major Group 51)**

This major group includes establishments primarily engaged in the wholesale distribution of nondurable goods.

### **Paper and paper products (SIC 511)**

**Printing and writing paper (SIC 5111)**—Establishments primarily engaged in the wholesale distribution of writing paper, including envelope paper; fine paper; and ground wood, printing, and rotogravure paper.

**Stationery supplies (SIC 5112)**—Establishments primarily engaged in the wholesale distribution of stationery and office supplies, including envelopes, typewriter and mimeograph paper, file cards and folders, pens, social stationery, and greeting cards.

**Industrial and personal service paper (SIC 5113)**—Establishments primarily engaged in the wholesale distribution of wrapping and other coarse paper, paperboard, cellophane, and converted paper products such as bags, boxes, dishes, napkins, and shipping supplies.

### **Drugs, drug proprietaries and druggists' sundries (SIC 512)**

**Drugs, drug proprietaries, and druggists' sundries (SIC 5122)**—Establishments primarily engaged in the wholesale distribution of drugs, drug proprietaries, druggists' sundries, and toiletries. Establishments primarily engaged in the wholesale distribution of surgical, dental, and hospital equipment are classified in SIC 5086.

### **Apparel, piece goods, and notions (SIC 513)**

**Piece goods (woven fabrics) (SIC 5133)**—Establishments primarily engaged in the wholesale distribution of piece goods or yard goods of natural or synthetic fibers. "Converters" who buy goods in the grey, have them finished on contract, and sell at wholesale are included here. This industry does not include establishments primarily engaged in the wholesale distribution of home furnishings, which are classified in SIC 5023.

**Notions and other dry goods (SIC 5134)**—Establishments primarily engaged in the wholesale distribution of notions (sewing and hair accessories, etc.), knit goods, and other dry goods, except piece goods.

**Men's and boys' clothing and furnishings (SIC 5136)**—Establishments primarily engaged in the wholesale distribution of men's and boys' apparel and furnishings, sportswear, hosiery, underwear, nightwear, and work clothing.

**Women's, children's and infants' clothing and accessories (SIC 5137)**—Establishments primarily engaged in the wholesale distribution of women's, children's, and infants' clothing and accessories, including hosiery, lingerie, millinery and millinery supplies, and furs.

**Footwear (SIC 5139)**—Establishments primarily engaged in the wholesale distribution of footwear made of leather, rubber, and other materials.

### **Groceries and related products (SIC 514)**

**Groceries, general line (SIC 5141)**—Establishments primarily engaged in the wholesale distribution of a general line of groceries. Establishments primarily engaged in roasting coffee, blending tea, or grinding and packaging spices are classified in SIC major group 20.

**Frozen foods (SIC 5142)**—Establishments primarily engaged in the wholesale distribution of packaged quick frozen vegetables, juices, meats, fish, poultry pastries, and other "deep freeze" products. Establishments primarily engaged in the wholesale distribution of frozen dairy products are classified in SIC 5143. Frozen poultry, fish, and meat which are not packaged are classified in SIC 5144, 5146, and 5147, respectively.

**Dairy products (SIC 5143)**—Establishments primarily engaged in the wholesale distribution of dairy products, such as butter, cheese, ice cream and ices, and fluid milk and cream. This industry does not include establishments primarily engaged in pasteurizing and bottling milk, which are classified in SIC 202.

**Poultry and poultry products (SIC 5144)**—Establishments primarily engaged in the wholesale distribution of poultry and poultry products, except canned and packaged frozen products. This industry does not include establishments, primarily engaged in the killing and dressing of poultry, which are classified in SIC 2016. Establishments primarily engaged in the wholesale distribution of packaged frozen poultry are classified in SIC 5142, and of canned poultry in SIC 5149.

**Confectionery (SIC 5145)**—Establishments primarily engaged in the wholesale distribution of confectionery, such as candy, chewing gum, fountain fruits, salted or roasted nuts, popcorn, and fountain syrups; and potato, corn, and similar chips.

**Fish and seafoods (SIC 5146)**—Establishments primarily engaged in the wholesale distribution (not packaging) of fresh, cured, and frozen fish and seafoods, except canned (SIC 5149) or packaged frozen (SIC 5142). The preparation, packaging, and freezing of fresh fish and other seafood, and the shucking and packing of fresh oysters in nonsealed containers, are classified in SIC 2092.



**Meats and meat products (SIC 5147)**—Establishments primarily engaged in the wholesale distribution of fresh, cured, and processed (but not canned) meats and lard. The wholesale distribution of frozen packaged meats is classified in SIC 5142 and canned meats in SIC 5149.

**Fresh fruits and vegetables (SIC 5148)**—Establishments primarily engaged in the wholesale distribution of fresh fruits and vegetables.

**Groceries and related products, n.e.c. (SIC 5149)**—Establishments primarily engaged in the wholesale distribution of groceries and related products, not elsewhere classified. Establishments primarily engaged in the wholesale distribution of soft drinks, and in bottling and distributing natural spring and mineral waters, are classified in this industry, but establishments primarily engaged in bottling soft drinks are classified in SIC major group 20. This industry does not include farm product raw material (SIC 515), or beer, wine, and distilled alcoholic beverages (SIC 518).

#### **Farm-product raw materials (SIC 515)**

**Cotton (SIC 5152)**—Establishments primarily engaged in buying and/or marketing cotton and cotton linters.

**Grain (SIC 5153)**—Establishments primarily engaged in buying and/or marketing grain (such as corn, wheat, oats, barley, and unpolished rice); and dry beans, soybeans, and other inedible beans. Country grain elevators primarily engaged in buying or receiving grain from farmers are included, as are terminal elevators and other merchants marketing grain.

**Livestock (SIC 5154)**—Establishments primarily engaged in buying and/or marketing cattle, hogs, sheep, and goats. This industry also includes the operation of livestock auction markets.

**Farm-product raw materials, n.e.c. (SIC 5159)**—Establishments primarily engaged in buying and/or marketing farm products not elsewhere classified, such as horses and mules, leaf tobacco, hides, skins, furs, wool, mohair, raw silk, hops, and nuts, except roasted or salted (SIC 5145). Establishments primarily engaged in the wholesale distribution of milk are classified in SIC 5143 and live poultry in SIC 5144.

#### **Chemicals and allied products (SIC 516)**

**Chemicals and allied products (SIC 5161)**—Establishments primarily engaged in the wholesale distribution of chemicals and allied products, not elsewhere classified, such as acids, industrial and heavy chemicals, dyestuffs, industrial salts, naval stores, plastics materials, rosin, and

turpentine. Establishments primarily engaged in the wholesale distribution of ammunition are classified in SIC 5041; agricultural chemicals and pesticides in industry 5191; drugs in SIC 5122; and paints and varnishes in SIC 5198.

#### **Petroleum and petroleum products (SIC 517)**

**Petroleum bulk stations and terminals (SIC 5171)**—Establishments primarily engaged in wholesaling petroleum products, including liquefied petroleum gas, from bulk liquid storage facilities.

**Petroleum and petroleum products, except bulk stations and terminals (SIC 5172)**—Establishments primarily engaged in wholesaling petroleum and petroleum products, except those with bulk liquid storage facilities. Included are packaged and bottled petroleum products distributors, truck jobbers, and others marketing petroleum and petroleum products at wholesale but without bulk liquid storage facilities.

#### **Beer, wine and distilled alcoholic beverages (SIC 518)**

**Beer and ale (SIC 5181)**—Establishments primarily engaged in the wholesale distribution of beer, ale, porter and other fermented malt beverages.

**Wines and distilled alcoholic beverages (SIC 5182)**—Establishments primarily engaged in the wholesale distribution of distilled spirits, including neutral spirits and ethyl alcohol used in blending wines and distilled liquors.

#### **Miscellaneous nondurable goods (SIC 519)**

**Farm supplies (SIC 5191)**—Establishments primarily engaged in the wholesale distribution of animal feeds, fertilizers, agricultural chemicals, pesticides, seeds, and other farm supplies, except grains.

**Tobacco and tobacco products (SIC 5194)**—Establishments primarily engaged in the wholesale distribution of tobacco and tobacco products. Leaf tobacco wholesalers are classified in SIC 5159 and establishments primarily engaged in stemming and redrying tobacco in SIC 2141.

**Paints, varnishes, and supplies (SIC 5198)**—Establishments primarily engaged in the wholesale distribution of paints, varnishes, wallpaper, and supplies. Glass is frequently handled. Establishments selling to the general public and known as "retail" in the trade are classified in SIC 5231.

**Nondurable goods, n.e.c. (SIC 5199)**—Establishments primarily engaged in the wholesale distribution of nondurable goods, not elsewhere classified, such as books, periodicals, and newspapers; art goods; flowers and florists' supplies; industrial yarn; and textile bags and bagging.



# APPENDIX B. Report Form

## PENALTY FOR FAILURE TO REPORT

OMB No. 0607-0586: Approval Expires June 30, 1989

FORM **B-451(S)**  
(8-11-87)

U.S. DEPARTMENT OF COMMERCE  
BUREAU OF THE CENSUS

## 1987 ASSETS AND EXPENDITURES SURVEY QUINQUENNIAL SUPPLEMENT TO ANNUAL TRADE SURVEY REPORT FORM B-451

**DUE DATE: February 15, 1988**

Please return your report promptly. If returning this report together with form B-451, use only 1 preaddressed envelope. If returning each report separately, use separate preaddressed envelopes. If you cannot file form B-451(S) by the due date, send a request for a reasonable time extension to the address below; please include your 11-digit Census File Number and a reference to this form number.

Complete this  
form and  
RETURN TO

**BUREAU OF THE CENSUS**  
1201 East Tenth Street  
Jeffersonville, IN 47132

(Please correct any error in name and address, including ZIP Code)

**NOTICE** — Response to this inquiry is required by law (title 13, U.S. Code). By the same law, your report to the Census Bureau is confidential. It may be seen only by sworn Census employees and may be used only for statistical purposes. The law also provides that copies retained in your files are immune from legal process.

In correspondence pertaining to this report, please refer to the Census File Number (the first 11 digits shown to the left in the label below)

## PLEASE READ ALL ACCOMPANYING INSTRUCTIONS

CENSUS  
USE ONLY

### GENERAL INSTRUCTIONS

This report is a supplement to your Annual Trade Survey 1987 report form B-451 and should cover the same merchant wholesale establishments.

Please read all instructions and complete all items. Report data for the same 1987 reporting period as on your annual survey report form. If book figures are not available or easily accessible, carefully prepared estimates are acceptable.

**Item 1 NUMBER OF WHOLESALE ESTABLISHMENTS ON DECEMBER 31, 1987**

Enter the total number of merchant wholesale establishments covered by this report, or copy from item 2 of your B-451 Annual Trade Survey 1987 report (or file copy).

Number

201

**Item 2 OPERATING EXPENSES — Line-by-line instructions for completing item 2A for selected lines; others are self-explanatory**

**Line a — Total annual payroll for 1987, before deductions** — Definitions are the same as those on the Employer's Quarterly Federal Tax Return, Form 941, and as described in Circular E, Employer's Tax Guide. The amount should reflect payroll reported for the 4 quarters of calendar year 1987.

**Include** Salaries, wages, commissions, bonuses, and allowances for vacation, holiday, and sick leave paid in 1987 before payroll deductions for employee contributions such as social security, tax withholding, group insurance premiums, union dues, and savings bonds. For corporations, include the amount paid to officers and executives.

**Exclude** Employer contributions to employee benefit plans required by law and any fringe benefits your company gives its employees. For unincorporated businesses, exclude profit or other compensation of proprietor or partner.

**Line c — Employer's cost for programs not required by law**

**Exclude** Allowances for vacation, holiday, and sick leave.

**Line e — Taxes and license fees**

**Include** Business license fees, liquor and tobacco stamps, real and personal property taxes (such as taxes on real estate, motor vehicles, machinery, equipment, and inventories), and special assessments.

**Exclude** Income, sales, payroll, excise taxes (other than for liquor and tobacco stamps), and other taxes collected from customers and paid to local, state, or Federal government agencies. Also, exclude the cost of computer software purchased under licensing agreements.

**Lines f, g, and h — Depreciation and amortization charges in 1987** against tangible assets (i.e., with physical attributes, such as structures and equipment)

**Include** Depreciation charges against: assets owned and used by your firm, assets and improvements owned by your firm within leaseholds, and assets obtained through capital lease agreements.

**Exclude** Accumulated depreciation and amortization charges against intangible assets (goodwill, patents, copyrights, etc.).

**Lines i, j, and k — Lease and rental payments**

**Include** Payments to others in 1987 for lease or rental of land, buildings, structures, offices, machinery, and equipment.

**Exclude** Payments by your firm to the parent company or organization or any of its subsidiaries for use of assets owned by them; and installment payments for assets obtained through capital lease agreements.

**Line l — Cost of telephone and other purchased communication services**

**Include** Cost of telephone, data transmission, telegraph, telex, Teletype, and all other communication services purchased in 1987.

**Exclude** Cost of communication services which were part of normal lease or rental payments.

**Line m — Cost of purchased electricity**

**Include** The cost of electricity purchased during the year from other companies.

**Exclude** The value of electricity generated by this company or electrical costs which were part of normal lease or rental payments.

**Line n — Cost of purchased fuels**

**Include** Cost of purchased fuels for heating, power, or generation of electricity.

**Exclude** Cost of gasoline and fuel purchased for highway vehicles (include these on line y), and any costs which were part of normal lease or rental payments.

**Line s — Cost of purchased advertising**

**Include** Payments to other firms for printing, media, and other services and materials used for advertising.

**Exclude** Costs incurred in advertising for others (advertising agencies should include only costs for advertising on their own behalf).

**Line t — Commissions expense**

**Include** Commissions paid to other organizations for sales of merchandise on your account.

**Exclude** Commissions paid to your own employees (include on line a above).

**Lines v, w, and x — Cost of purchased repair services**

**Include** All non-capitalized repairs to buildings, structures, offices, machinery, and equipment; for example, vehicle repairs, painting, roof repairs. On line w, include the cost of repairs for equipment and fixtures that are integral or permanent parts of a building or structure, such as elevators, furnaces, and central air conditioners.

**Exclude** Repair costs included in normal lease or rental payments, improvements for which depreciation accounts are maintained, and repairs performed by employees of your company and its subsidiaries.

**Line y — Other operating expenses**

**Include** Inventory storage and shipping, losses by theft (not reflected in inventory accounts), payments to others for services not included in lines a through x, insurance costs (except for the account of employees), loss or damage not covered by insurance, bad debt losses, and other expenses not specified elsewhere.

**Exclude** Cost of goods sold, interest on loans, income taxes, and local sales and excise taxes.

Value figures may be reported in dollars or rounded to thousands.

Example: If a figure is \$1,179,125,628, report either

• **PREFERRED** .....

**Acceptable** .....

Bil- lions (000)	Mil- lions (000)	Thou- sands (000)	Dol- lars (000)
1	179	125	628
1	179	126	000

## HOW TO REPORT DOLLAR FIGURES

CONTINUE ON PAGE 2 →



Item 2A OPERATING EXPENSES IN 1987, INCLUDING PAYROLL					Key	Bil.	Mil.	Thou.	Dol.
<b>a. PAYROLL — Total annual payroll in 1987, before deductions</b> →					247				
<b>EMPLOYER'S COST FOR FRINGE BENEFITS IN 1987 (supplemental labor costs)</b>					Key	Bil.	Mil.	Thou.	Dol.
<b>b. Employer's cost for legally required programs such as Social Security, workmen's compensation insurance, unemployment tax, and state disability insurance programs</b>					251				
<b>c. Employer's cost for programs not required by law such as pension plans, stock purchase plans, union-negotiated benefits, life insurance benefits, and insurance premiums on hospital and medical plans</b>					252				
<b>d. TOTAL cost for employee fringe benefits in 1987 — Sum of lines b and c</b> →					250				
<b>e. TAXES AND LICENSE FEES (excluding income, sales, payroll, and excise taxes) — Did this firm make any payment in 1987 to government agencies for taxes, including real property taxes and tobacco and liquor stamps, and license fees (such as business license fees)?</b>					255				
255 <input type="checkbox"/> YES — Report amount → 2 <input type="checkbox"/> NO					256				
<b>DEPRECIATION AND AMORTIZATION CHARGES — Did this firm record any depreciation or amortization charges in 1987 against tangible assets?</b>					263				
263 <input type="checkbox"/> YES — Complete lines f, g, and h 2 <input type="checkbox"/> NO					261				
<b>f. Buildings, structures, and their integral parts (elevators, etc.)</b>					261				
<b>g. Machinery, equipment, and other tangible assets</b>					262				
<b>h. TOTAL depreciation and amortization charges against tangible assets in 1987 — Sum of lines f and g</b> →					260				
<b>LEASE AND RENTAL PAYMENTS — Did this firm make lease or rental payments in 1987?</b>					273				
273 <input type="checkbox"/> YES — Complete lines i, j, and k 2 <input type="checkbox"/> NO					271				
<b>i. Land, buildings, structures, store space, and offices</b>					271				
<b>j. Machinery, equipment, and other items</b>					272				
<b>k. TOTAL lease and rental payments in 1987 — Sum of lines i and j</b> →					270				
<b>l. COST OF TELEPHONE AND OTHER PURCHASED COMMUNICATION SERVICES (reasonable estimate acceptable)</b> →					286				
<b>UTILITIES PURCHASED FROM OTHERS IN 1987 — Mark (X) one box each for lines m, n, and o</b>					Key	Bil.	Mil.	Thou.	Dol.
<b>m. Cost of purchased electricity — In 1987, was electricity (1) purchased for any locations by this firm, or (2) included only in lease payments, rent, or franchise fee?</b>					281				
281 <input type="checkbox"/> Purchased — Report amount → 2 <input type="checkbox"/> Included only in lease, rent, or franchise fee					282				
<b>n. Cost of purchased fuels — In 1987, was fuel for heating, power, or generating electricity (1) purchased for any locations by this firm, or (2) included only in lease payments, rent, or franchise fee?</b>					283				
283 <input type="checkbox"/> Purchased — Report amount → 2 <input type="checkbox"/> Included only in lease, rent, or franchise fee 3 <input type="checkbox"/> Not applicable					284				
<b>o. Cost of water, sewer, refuse removal, and other purchased utilities — In 1987, were any of these utilities (1) purchased for any locations by this firm, or (2) included only in lease payments, rent, or franchise fee?</b>					287				
287 <input type="checkbox"/> Purchased some or all of these — Report amount → 2 <input type="checkbox"/> Included only in lease, rent, or franchise fee					288				
<b>p. TOTAL cost of utilities — Sum of lines m, n, and o</b> →					280				
<b>q. COST OF PURCHASED OFFICE SUPPLIES — Did this firm purchase office supplies, stationery, and/or postage in 1987 for purposes other than resale?</b>					264				
264 <input type="checkbox"/> YES — Report amount → 2 <input type="checkbox"/> NO					265				
<b>r. COST OF PURCHASED MATERIALS — Did this firm purchase materials used in packaging, processing, shipping, and selling of goods in 1987 (i.e., materials purchased for purposes other than resale)?</b>					267				
267 <input type="checkbox"/> YES — Report amount → 2 <input type="checkbox"/> NO					268				
<b>s. COST OF PURCHASED ADVERTISING — Did this firm purchase advertising in 1987?</b>					276				
276 <input type="checkbox"/> YES — Report amount → 2 <input type="checkbox"/> NO					277				
<b>t. COMMISSIONS EXPENSE — Did this firm pay commissions in 1987 to other firms for sale of merchandise on your account?</b>					295				
295 <input type="checkbox"/> YES — Report amount → 2 <input type="checkbox"/> NO					296				
<b>u. COST OF CONTRACT WORK — Did this firm pay others in 1987 for contract work for readying your merchandise for sale, such as blending, printing, repacking, or other processing?</b>					297				
297 <input type="checkbox"/> YES — Report amount → 2 <input type="checkbox"/> NO					288				
<b>COST OF PURCHASED REPAIR SERVICES — Did this firm purchase repair services in 1987 which were NOT capitalized?</b>					283				
283 <input type="checkbox"/> YES — Complete lines v, w, and x 2 <input type="checkbox"/> NO					281				
<b>v. Repairs to buildings, structures, offices, and their integral parts (elevators, etc.)</b>					281				
<b>w. Repairs to machinery and equipment</b>					282				
<b>x. TOTAL cost of purchased repair services in 1987 — Sum of lines v and w</b> →					290				
<b>y. OTHER OPERATING EXPENSES NOT REPORTED ABOVE — See examples in instructions on page 1. Exclude interest on loans and local sales and excise taxes.</b> →					288				
<b>z. TOTAL 1987 OPERATING EXPENSES, INCLUDING PAYROLL — Sum of lines a, d, e, h, k, l, p, q, r, s, t, u, x, and y</b> →					890				



**Item 2B EXPENSES FOR CONTRACTED EMPLOYEES IN 1987**Mark (X) **EACH** applicable box

- a. Did "other" operating expenses reported on line y on page 2 include expenses for any of the following types of **contracted employees** under your supervision?

(1) Temporary help? . . . . . 171 ☐  
 (2) Leased employees? . . . . . 172 ☐  
 (3) Other contracted employees? . . . 173 ☐  
 (4) None of the above . . . . . 174 ☐ — **SKIP to Item 3**

- b. Consider such expenses as "contract labor" expenses, and define "total cost of labor" as the sum of (1) payroll (item 2A, line a), plus (2) cost for employee benefits (line d), plus (3) expenses for **contract labor**. **Contract labor** expense represented approximately what percent of **total cost of labor** in 1987?

Mark (X) **ONE** box only

175 1 ☐ Less than 5 percent  
 2 ☐ 5 to 10 percent  
 3 ☐ More than 10 percent

**Item 3 ACQUISITION VALUE OF DEPRECIABLE ASSETS****DEFINITIONS AND GENERAL INSTRUCTIONS****Acquisition value of depreciable and amortizable assets**

- **Acquisition value** — This is the original cost of an asset or the amount that was recorded in your books at the time of acquisition.
- **Depreciable assets** — These are assets for which depreciation accounts are ordinarily maintained, **whether or not still depreciated**, for all domestic establishments and facilities covered by this report.
- **Amortizable assets** — For purposes of this report, these include only tangible assets for which amortization accounts are ordinarily maintained (e.g., special tools).

**Include**

- New and used structures (including those under construction at the end of the year), integral fixtures, additions, major alterations, improvements to existing facilities (completed or "in process"), and capitalized repairs
- Value of depreciable assets owned by this firm, but rented or leased to others under an operating lease
- Machinery, equipment, and amortizable assets (e.g., special tools)
- Value of all capitalized drilling and completion costs
- Value of depreciable assets obtained through capital (full-payout or equity) leases
- Value of all items underlying safe harbor leases for which you are the lessee
- Value of depreciable assets acquired through mergers or take-overs but not treated as a "pooling of interest"; if applicable, report this value in the **EXPLANATIONS** section on page 4.

**Exclude**

- Current assets (inventories, cash, accounts receivable, etc.) and intangible assets (goodwill, patents, copyrights, etc.)
- Value of depreciable assets in foreign countries and U.S. possessions
- Value of property owned by your firm but "sold" to others under a capital lease
- Value of land and depletable assets (timber and mineral rights)
- Value of all items underlying safe harbor leases for which you are the lessor

**Capital expenditures** — This refers to all costs (acquisition value) actually **incurred in 1987** which were chargeable to asset accounts and for which depreciation or amortization reserves are ordinarily maintained.

**Include**

- Expenditures for depreciable assets (defined above) in 1987; do NOT deduct the value of trade-ins
- All items obtained through a capital lease during 1987
- Expenditures made by your firm for structures which, upon completion, were or are to be sold or leased back to your firm
- Capital expenditures for leasehold improvements (made to property leased from others)
- Cost of construction work performed in 1987 by your own employees (for a account)

**Exclude**

- Expenditures for land
- Expenditures made by your firm or organization for property which it leased to others as part of a capital (full-payout or equity) lease agreement
- Items chargeable as current operating expenses such as cost of maintenance, repairs, and supplies
- Expenditures for locations primarily engaged in activities other than merchant wholesale
- Expenditures made by owners of property rented or leased to your firm, except capital leases
- Expenditures for goodwill, patents, or copyrights

**Item 3A CAPITAL EXPENDITURES (EXCLUDING LAND) AND CHANGES IN DEPRECIABLE ASSET ACCOUNTS — Line-by-line instructions for selected lines; others are self-explanatory**

**Line c** — Include expenditures for new buildings and structures; integral fixtures such as furnaces, boilers, central air conditioners, and blast furnaces; building additions and alterations; and improvements such as fences, storage facilities, etc.

**Line e** — Include expenditures for computer software only if capitalized as a tangible asset; exclude if the purchase is considered intangible (a.g., a licensing agreement); or if expensed (such as an office supply), include only in item 2A.

**Lines i, j, and k** — Report the original cost or acquisition value of depreciable assets owned at the **end of 1986**.

**Line l** — Enter the original cost or acquisition value of depreciable assets sold, returned, traded in, or destroyed during 1987.

**Lines m, n, and o** — Report the original cost or acquisition value of depreciable assets owned at the **end of 1987**.

**Line o** — Total depreciable assets at the **end of 1987** should ordinarily equal **line h** plus **line k** minus **line l**; if not (e.g., due to mergers or exchange of stock), explain in the **EXPLANATIONS** section on page 4.

**PLEASE READ ALL INSTRUCTIONS ABOVE BEFORE ANSWERING.**

- a. Did this firm own any depreciable assets during 1986 or 1987? . . . . . 219 1 ☐ YES — *Continue*  
 2 ☐ NO — **SKIP to Item 4**

- b. Did this firm make any capital expenditures during 1987? . . . . . 209 1 ☐ YES — *Continue*  
 2 ☐ NO — **SKIP to line l**

**PLEASE CONTINUE WITH ITEM 3A ON PAGE 4**



**Item 3A CAPITAL EXPENDITURES (EXCLUDING LAND) AND CHANGES IN DEPRECIABLE ASSET ACCOUNTS — Continued**

	Key	Bil.	Mil.	Thou.	Dol.	
<b>Capital expenditures (excluding land) in 1987</b>						
c. New buildings, structures, and related facilities (excluding land)	211					<b>Do not combine; if records are not available, reasonable estimates are acceptable.</b>
d. New highway vehicles, including automobiles, trucks, trailers, and special purpose vehicles	212					
e. New computer hardware, software (capitalized), and peripheral data processing equipment	213					
f. All other new machinery, equipment, and other depreciable assets such as office furniture, forklifts, handtrucks, conveyors, etc.	214					
g. Used buildings (excluding land), structures, machinery, equipment, and other depreciable assets acquired from others	214					
h. <b>TOTAL capital expenditures in 1987 — Sum of lines c through g</b>	210					
<b>Changes in depreciable asset accounts (excluding land), 1986 to 1987</b>						
i. Original cost or acquisition value of buildings, structures, and related facilities (excluding land) owned at the end of 1986	231					<b>Do not combine; if records are not available, reasonable estimates are acceptable.</b>
j. Original cost or acquisition value of machinery, equipment, and other depreciable and amortizable assets owned at the end of 1986	231					
k. <b>TOTAL depreciable and amortizable (tangible) assets (excluding land) at the end of 1986 — Sum of lines i and j (if none, enter "0.")</b>	230					
l. Original cost or acquisition value of depreciable assets sold, retired, scrapped, or destroyed during 1987. (If none, enter "0.") <b>DO NOT report accumulated depreciation.</b>	244					
m. Original cost or acquisition value of buildings, structures, and related facilities (excluding land) owned at the end of 1987	221					<b>Do not combine; if records are not available, reasonable estimates are acceptable.</b>
n. Original cost or acquisition value of machinery, equipment, and other depreciable and amortizable assets owned at the end of 1987	222					
o. <b>TOTAL depreciable and amortizable (tangible) assets (excluding land) at the end of 1987 — Sum of lines m and n (if none, enter "0.")</b>	220					
<b>PLEASE VERIFY — Line h plus line k MINUS line l should ordinarily equal line o. If not (such as due to mergers or exchange of stock), explain in the EXPLANATIONS section below, and mark (X) this box.</b>						245 <input type="checkbox"/>

**Item 3B CAPITAL EXPENDITURES FOR LEASED ASSETS — For definitions, see page 3 and separate instruction sheet.**

		1987				
		Key	Bil.	Mil.	Thou.	Dol.
a. Expenditures for assets acquired in 1987 under capital leases — Report here and include in item 3A the acquisition value of all depreciable assets obtained from others through capital (full-payment or equity) leases during 1987. Do not include assets obtained through operating leases.	165 <input type="checkbox"/> YES — Report the acquisition value of such assets. →					
Did this firm or organization acquire assets through capital leases during 1987?	2 <input type="checkbox"/> NO	166				
b. Expenditures for assets acquired in 1987 that were leased TO others under operating leases — Report the acquisition value of all depreciable assets included in capital expenditures (item 3A) that were acquired in 1987 but leased to others under an operating lease.	167 <input type="checkbox"/> YES — Report the acquisition value of such assets. →					
Did this firm or organization acquire assets during 1987 that were leased to others under operating leases?	2 <input type="checkbox"/> NO	168				
<b>Item 4 SELECTED TYPES OF SALES</b>						
a. Capital lease sales — Report the acquisition value of all depreciable assets owned by this firm but "sold" to others under a capital (full-payment or equity) lease during 1987.	206 <input type="checkbox"/> YES — Report amount →					
Did this firm "sell" depreciable assets to others through capital leases during 1987?	2 <input type="checkbox"/> NO	207				
b. Foreign sales — In 1987, did this firm make foreign sales of goods that never entered the United States or its foreign trade zones?	208 <input type="checkbox"/> YES    2 <input type="checkbox"/> NO					

**Item 5 COMPUTER SOFTWARE EXPENDITURES IN 1987 — For definitions, see separate instruction sheet.**

a. Expenditures for capitalized software — Did this firm or organization acquire computer software in 1987 which was recorded in your books as a depreciable or amortizable asset?	178 <input type="checkbox"/> YES    2 <input type="checkbox"/> NO					
b. Purchases of noncapitalized computer software and data processing services	(1) Did this firm or organization "purchase" software, data processing, or other computer services (including time rental) in 1987, which was recorded in your books as an operating expense?	179 <input type="checkbox"/> YES — Continue 2 <input type="checkbox"/> NO — SKIP to Item 6				
	(2) Please indicate which category(ies) in Item 2A on page 2 include(s) these expenses for computer software and services.	Mark (X) EACH applicable box				
		180 <input type="checkbox"/> Line i, Purchased communications				
		181 <input type="checkbox"/> Line q, Purchased office supplies				
		182 <input type="checkbox"/> Line y, Other operating expenses				
		183 <input type="checkbox"/> Another line in Item 2A				
	(3) If computer software purchases were accounted for as operating expenses, could the amount be reported separately, based on how your firm's books are kept?	184 <input type="checkbox"/> YES    2 <input type="checkbox"/> NO				

EXPLANATIONS — Please use this space for any explanations that may be essential in understanding your reported data.

**Item 6 CERTIFICATION — This report is substantially accurate and has been prepared in accordance with instructions.**

Name of person to contact regarding this report — Print or type	Address — Number and street, city, State, ZIP Code	Telephone	
		Area code	Number
Signature of authorized person	Title	Extension	
		Date	



# APPENDIX C.

## Changes in Wholesale Trade Kind-of-Business Classifications for 1987

[Based on revisions to the Standard Industrial classification (SIC) Manual, definitions of some kinds of business were changed for 1987. The significant changes in SIC codes from 1972 to 1987 are listed below. For industries other than those listed, the SIC definitions are the same as those used since 1972, or contain only minor revisions affecting the classification of few, if any, establishments]

1987 SIC (used for 1987 census reports)

1972 SIC (used for 1972, 1977, and 1982 census reports and 1987 Assets and Expenditures report)

Code	Title	Code	Title
5013	Motor vehicle supplies and new parts -----	5013 pt.	Automotive parts and supplies (except used)
5015	Motor vehicle parts, used -----	[ 5013 pt. 5931 pt.	Used automotive parts, equipment and supplies (wholesale) Used automotive parts, equipment and supplies (retail)
5023	Homefurnishings <sup>1</sup> -----	5023	Home furnishings <sup>1</sup>
5032	Brick, stone, and related construction materials -----	] 5039	Construction materials, n.e.c.
5033	Roofing, siding, and insulation materials -----		
5039	Construction materials, n.e.c. -----		
5044	Office equipment -----	] 5081	Commercial machines and equipment
5045	Computers and computer peripheral equipment and software -----		
5046	Commercial equipment, n.e.c. -----		
5047	Medical, dental, and hospital equipment and supplies -----	] 5086	Professional equipment and supplies
5048	Ophthalmic goods -----		
5049	Professional equipment and supplies, n.e.c. -----		
5063	Electrical apparatus and equipment, wiring supplies, and construction materials -----	5063 pt.	Electrical apparatus and equipment, wiring supplies, and construction materials <sup>2</sup>
5065	Electronic parts and equipment, n.e.c. -----	[ 5065 5063 pt.	Electronic parts and equipment Electrical apparatus and equipment, wiring supplies, and construction materials <sup>3</sup>
5082	Construction and mining (except petroleum) machinery and equipment <sup>1</sup> -----	5082	Construction and mining machinery and equipment
5084	Industrial machinery and equipment -----	[ 5084 5063 pt.	Industrial machinery and equipment Electrical apparatus and equipment, wiring supplies and construction materials <sup>4</sup>
5091	Sporting and recreational goods and supplies <sup>1</sup> -----	5041	Sporting and recreational goods and supplies
5092	Toys and hobby goods and supplies <sup>1</sup> -----	5042	Toys and hobby goods and supplies
5094	Jewelry, watches, precious stones, and precious metals <sup>1</sup> -----	5094	Jewelry, watches, diamonds, and other precious stones <sup>1</sup>
5099	Durable goods, n.e.c. -----	[ 5099 5199 pt.	Durable goods, n.e.c. Nondurable goods, n.e.c. <sup>5</sup>
5112	Stationery and office supplies <sup>1</sup> -----	5112	Stationery supplies <sup>1</sup>
5131	Piece goods, notions, and other dry goods -----	[ 5133 5134	Piece goods (woven fabrics) Notions and other dry goods
5142	Packaged frozen foods <sup>1</sup> -----	5142	Frozen foods <sup>1</sup>
5143	Dairy products, except dried or canned <sup>1</sup> -----	5143	Dairy products <sup>1</sup>
5153	Grain and field beans <sup>1</sup> -----	5153	Grain <sup>1</sup>
5159	Farm-product raw materials, n.e.c. -----	[ 5152 5159	Cotton Farm-product raw materials, n.e.c.
5162	Plastics materials and basic forms and shapes -----	] 5161	Chemicals and allied products
5169	Chemicals and allied products, n.e.c. -----		
5192	Books, periodicals, and newspapers -----	] 5199	Nondurable goods, n.e.c. <sup>6</sup>
5193	Flowers, nursery stock, and florists' supplies -----		
5199	Nondurable goods, n.e.c. -----		

<sup>1</sup>No change in content.

<sup>2</sup>Excluding electrical communications equipment now in SIC 5065 and electrical measuring and testing equipment now in SIC 5084.

<sup>3</sup>Electrical communications equipment part only, now in SIC 5065.

<sup>4</sup>Electrical measuring and testing equipment part only, now in SIC 5084.

<sup>5</sup>General merchandise, durable part only, now in SIC 5099.

<sup>6</sup>All of SIC 5199 except durable goods general merchandise wholesalers. In 1972, all general merchandise wholesalers were in SIC 5199, for 1987 general merchandise wholesalers selling primarily durable goods were moved to SIC 5099.





# PUBLICATION PROGRAM

## 1987 CENSUS OF WHOLESALE TRADE

Publications of the 1987 Census of Wholesale Trade, containing data on wholesale trade establishments with payroll in the United States, are described below. Publications order forms for the specific reports may be obtained from any Department of Commerce district office or from Data User Services Division, Customer Services (Publications), Bureau of the Census, Washington, DC 20233. The first results were issued in press releases. Final detailed statistics are issued in separate paperbound reports.

### Final Reports

#### Geographic area series—52 reports (WC87-A-1 to -52)

A separate paperbound report is being published for each State, the District of Columbia, and the United States. Each report presents general statistics on number of establishments, sales, payroll, employment, operating expenses, and inventories for all establishments with payroll. At the State level, data also are presented separately for the following types of wholesale operation: merchant wholesalers; manufacturers' sales branches and offices; and agents, brokers, and commission merchants. Less type-of-operation detail is shown below the State level. For States, MSA's, and counties and places with 200 wholesale establishments or more, statistics are presented by kind of business. Greater kind-of-business detail is shown for larger areas. In addition, data are shown for all places with 2,500 inhabitants or more and all counties (with no kind-of-business detail). For each State, the District of Columbia, and the United States, 1982 data are provided on sales and employees per establishment, sales and payroll per employee, payroll as a percent of operating expenses, and operating expenses and end-of-year inventories as percentages of sales. Comparative statistics showing percent changes in sales and payroll between 1982 and 1987 also are shown by kind of business.

#### Subject series—4 reports (WC87-S-1 to 4)

The first report (WC87-S-1) presents data based on size of establishment, size of company or firm (firm size is based on all establishments operated by a firm within the same kind of business or kind-of-business group for which data are presented), and legal form of organization. Establishment statistics are presented by sales size and by employment size; statistics for firms, by sales size (including concentration by largest firms), by employment size, and by number of establishments operated (single units and multiunits). Statistics are presented by kind of business on the number of establishments, sales, payroll, and employment for the United States.

A report (WC87-S-2) on measures of value produced, capital expenditures, depreciable assets, and operating expenses presents data for the United States by major kinds of business. Data also are provided on sales, purchases, and beginning and ending inventories. Measures of value produced include gross margin,

value added, and net income produced at market prices and factor costs. Operating expenses include annual payroll, supplemental labor costs, purchased services, etc.

The commodity line sales report (WC87-S-3) presents data on major categories of commodities sold by wholesale kinds of business for the United States. Data for 15 selected MSA's and 15 selected States will be issued on microfiche only. Tables present data for each kind of business and show, for each commodity line, the number of establishments handling the line and their sales of the line; the percentage of total sales of the kind of business accounted for by each of the lines carried; and, for establishments actually handling a specific line, the percentage of their total sales represented by sales of that line. Summary statistics also are provided for the broad commodity line categories, including counts of establishments and the amount and percent of the line sold by various kinds of wholesale businesses.

A miscellaneous subjects report (WC87-S-4) contains data by kind of business on employment by principal activity, sales by class of customer, inventory valuation methods, commissions and gross selling value of business conducted for others by agents and brokers, and on petroleum bulk stations and terminals. Data are presented for the United States as a whole and, for petroleum bulk stations and terminals, for States and counties.

### Microfiche

Every final published report in the 1987 Census of Wholesale Trade will be available on microfiche.

### Public-Use Computer Tapes and Compact Discs

Selected data also are available on public-use computer tapes and compact discs-read only memory (CD-ROM). For the selected data, these tapes and discs will provide the same information found in the final reports as well as additional information not published in the final reports, such as commodity line sales data for States (WC87-S-3). Computerized data products are available for users who wish to summarize, rearrange, or process large amounts of data. These products, with corresponding technical documentation, are sold by Data User Services Division, Customer Services (Tapes), Bureau of the Census, Washington, DC 20233.

### OTHER ECONOMIC CENSUSES REPORTS

Data on retail trade, service industries, construction industries, manufactures, mineral industries, transportation, enterprise statistics, minority-owned business enterprises, and women-owned businesses also are available from the 1987 Economic Censuses. A separate series of reports covers the censuses of outlying areas—Puerto Rico, Virgin Islands of the United States, Guam, and the Northern Marianas. Separate announcements describing these reports are available free of charge from Data User Services Division, Customer Services (Publications), Bureau of the Census, Washington, DC 20233.











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